POLAR CAPITAL

Polar Capital Funds plc

Annual Report and Audited Financial Statements
For the year ended 31 December 2020

POLAR CAPITAL

Contents

Business Review

Investment Manager's Reports

- Asian Opportunities Fund 01
- Asian Stars Fund 03
- Automation & Artificial Intelligence Fund 06
- Biotechnology Fund 09
- China Stars Fund 13
- Emerging Markets Income Fund 15
- Emerging Market Stars Fund 18
- European ex UK Income Fund 21
- Financial Opportunities Fund 24
- Global Absolute Return Fund 26
- Global Convertible Fund 29
- Global Insurance Fund 32
- Global Technology Fund 34
- Healthcare Blue Chip Fund 43
- Healthcare Discovery Fund 46
- Healthcare Opportunities Fund 48
- Income Opportunities Fund 50
- Japan Value Fund 53
- North American Fund 56
- UK Absolute Equity Fund 58
- UK Value Opportunities Fund 59

Report of the Directors 61

Report of the Depositary to the Shareholders 65

Financial Statements and Notes

Independent Auditor's Report 66

Portfolio Statements

- Asian Opportunities Fund 72
- Asian Stars Fund 75
- Automation & Artificial Intelligence Fund 78
- Biotechnology Fund 81
- China Stars Fund 84
- Emerging Markets Income Fund 87
- Emerging Market Stars Fund 91
- European ex UK Income Fund 94
- Financial Opportunities Fund 97
- Global Absolute Return Fund 101
- Global Convertible Fund 107
- Global Insurance Fund 121
- Global Technology Fund 124
- Healthcare Blue Chip Fund 130
- Healthcare Discovery Fund 133
- Healthcare Opportunities Fund 137
- Income Opportunities Fund 141
- Japan Value Fund 146
- North American Fund 150
- UK Absolute Equity Fund 154
- UK Value Opportunities Fund 155

Statement of Financial Position 158

Statement of Comprehensive Income 166

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares 174

Statement of Cash Flows 178

Notes to the Financial Statements 186

Statement of Significant Portfolio Movements (Unaudited)

- Asian Opportunities Fund 348
- Asian Stars Fund 349
- Automation & Artificial Intelligence Fund 350
- Biotechnology Fund 352
- China Stars Fund 353
- Emerging Markets Income Fund 354
- Emerging Market Stars Fund 355
- European ex UK Income Fund 356
- Financial Opportunities Fund 357
- Global Absolute Return Fund 359
- Global Convertible Fund 360
- Global Insurance Fund 361
- Global Technology Fund 362
- Healthcare Blue Chip Fund 363
- Healthcare Discovery Fund 364
- Healthcare Opportunities Fund 366
- Income Opportunities Fund 367
- Japan Value Fund 368
- North American Fund 370
- UK Absolute Equity Fund 372
- UK Value Opportunities Fund 373

Information for Investors in the Federal Republic of Germany (unaudited) 375

Information for Investors in Switzerland (unaudited) 375

PEA Compliance (unaudited) 376

Appendix I – Remuneration Disclosures (unaudited) 377

Appendix II – Securities Financing Transactions Regulation (unaudited) 378

Management and Administration 380

Investment Manager's Report

For the financial year ended 31 December 2020

Asian Opportunities Fund

Fund performance

Following a sharp selloff early in the year, the Fund recovered strongly to end 2020 up 13.4% (Class I US Dollar Distribution Shares) for the year. Not surprisingly, for a Fund with a strong bias to the financial sector rather than the technology sector, it underperformed the benchmark index of the MSCI AC Asia Pacific ex Japan Index which rose 22.4% during the year, although it materially outperformed the MSCI AC Asia ex Japan Financials Index which rose 2.6% during the year (both in dollar terms).

However, 2020 saw considerable volatility as coronavirus concerns impacted from January onwards, with February and March seeing sharp falls in the NAV per Share. Specifically for the Fund, the financial sector came under pressure (on the back of worries about the impact shutdowns would have on the overall economies and loan book quality of the banks) and south-east Asia and India were particularly weak (worries about the collapse in tourism in markets such as Thailand or fears over the currency in markets such as Indonesia and India). April saw the beginnings of a recovery even though the macro environment remained weak and an increasingly acrimonious relationship between the US and China impacted sentiment so it was not until June that recovery became more embedded. After a short pullback in September, the final quarter of 2020 saw consistently strong performance and more importantly for the Fund, the financial sector in south-east Asia and India finally started to outperform the broader market. A key contributor for the Fund was a strong showing from Indian private sector banks.

Market review

As would be expected, markets in 2020 became quickly dominated by news flow surrounding the COVID-19 pandemic with initial concerns focused on China, but these quickly broadened throughout the region and ultimately those markets without the support of a strong technology sector suffered the most. The impact to economies has been material with some seeing the largest falls in GDP in decades. Having said that, more broadly the Asian macro environment showed greater resilience than elsewhere globally, with Taiwan and China leading the way. Exports recovered in north Asia (South Korea, Taiwan and China) helped by their bias to the technology sector.

Inflation remained very much under control and that coupled with less pressure on currencies as the US dollar weakened enabled many countries to cut interest rates. Other support measures included cuts in reserve requirements, improved access to dollar liquidity, boosts from fiscal policy and the benefit of falling oil prices. Specific to the banking sector, regulators relaxed regulatory standards to enable the sector to provide liquidity to the corporate sector (although initial fears of a closure in capital markets did not materialise).

The speed of the reaction from governments and central banks was materially different from that experienced during the Asian financial crisis and helped the region weather the storm. More positively, unlike previous major crises there has been little debate about the solvency and liquidity of the financial sector and quarterly results have been encouraging, suggesting the sector is weathering the downturn in reasonable shape. Loan growth has been weak but that is to be expected, and non-performing loans are at manageable levels while reserves are being raised to more conservative levels. Lower rates have depressed margins, but these remain at profitable levels.

Structurally the crisis also provided opportunities and it was not surprising to see the technology sector (in particular internet stocks) rise materially. Large numbers of new digital accounts were opened in the financial sector and transactions shifted materially to digital means. Technology holdings reported strong figures which helped underpin their rise and these investments were a very positive contributor to performance during the year.

Regionally, Hong Kong remained very much in the limelight for the wrong reasons as new security legislation was imposed from Beijing; aimed at creating a more stable outlook but could also further exacerbate political tensions. In contrast, AIA Group was given approval to convert its Shanghai branch to a subsidiary, part of a long-term process of further opening up the domestic insurance sector, while the Hong Kong Exchange may get approval to trade a broader range of Chinese financial instruments. That said, we suspect political risk has become a much more material issue when assessing Asian companies going forward, as the crisis will mean great government involvement in economies.

Fund activity

2020 saw an elevated level of movement in the portfolio as the Fund first positioned itself for the crisis early in the year and then for a sharp recovery in the second half. Initially, we reduced our positions in the banking and finance sector and shifted the portfolio away from India and south-east Asia and towards north Asia, although some of this was due to the strength of the technology sector relative to the financial sector (with our north Asia holdings primarily in technology while in south-east Asia primarily in the financial sector). We also changed the mix away from finance companies to more stable deposit franchises.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Asian Opportunities Fund continued

Fund activity continued

As the year progressed, we started to add risk again and raised investment in certain finance companies which, to date, had weathered the storm well (including Srisawad in Thailand, Chailease in Taiwan and Manappuram Finance in India) and started to raise our Indian banks exposures again (Axis Bank). Offsetting this has been a reduction in our exposure to the real estate sector over worries surrounding both rents and new residential sales. REITs were also reduced on the back of fears as to their dividend-paying capacity in a world where their tenants were struggling. Overall, our exposure to the real estate sector remains at low levels. After performing well throughout most of the year, by October, we took the decision to reduce our exposure to the technology/internet sector and further raise our exposure to the financial sector in view of the extreme differential in recent performance.

The Fund today remains dominated by our exposure to the financial sector. Consequently, it is well positioned should there be any further rotation to value stocks in the coming year in the context of their material underperformance during 2020. It is worth noting that throughout the near 25-year history of the Fund, Asian financials have performed broadly in line with Asian markets and only the past year has seen a material divergence in that relationship.

Market outlook

Asian macro indicators have been improving gradually with exports recovering in Taiwan and South Korea driven primarily by strength in the semiconductor and technology sectors. India is also showing better economic activity indicators although the rate of recovery is slower, but ultimately the structural rate of growth is higher than average, which should provide a boost going forwards. South-east Asia was the economic laggard during 2020, affected by a combination of service-driven economies, a weak tourism sector and limited exposure to the strength in the technology sector. Even here there are some faint stirrings of hope including a recovery in car sales in Thailand, falling unemployment in the Philippines and strong exports out of Indonesia. Throughout the region there is little evidence of inflation and low interest rates remain supportive for economic recovery. With weak inflation (in many cases deflation) and a weak dollar we expect monetary policy to remain accommodative for a while even if, in the short term, central banks have put further rate cuts on hold. Some economies remain in good health, most notably Vietnam which has seen strong exports and manufacturing and overall, Asia appears to be in much better economic health than other regions globally. Some caution is warranted as the next few months will likely continue to see COVID-19 cases rise and fall, before the impact of vaccinations provides a more sustainable reduction in infection rates.

We believe Asian banks remain a highly profitable sector (in particular in India and south-east Asia to which the Fund has a bias) even in the face of lower margins as interest rates have come down and should rates start to rise they are prime beneficiaries. Added to this, their valuations are not excessive and the sector offers attractive dividend support. Stronger franchises have also become more dominant and the Fund continues to have a quality bias in its investments. The main worry on the horizon remains the extent that COVID-19 will impact their asset quality (both in terms of their loan books and bond holdings, the latter specifically in China) since to date they have weathered the storm remarkably well. Economic recovery may also help boost the weak loan demand currently throughout the region and will likely provide an additional boost to earnings.

Our main concerns are focused more on our exposure to the technology sector, specifically internet stocks in China where the political and regulatory environment has become more difficult for the likes of Alibaba. However, we take the view that the structural changes currently underway in economies will help many of these stocks and we believe the regulatory arbitrage that fintech companies enjoyed over incumbents, was always at some point going to be eroded or disappear. It may well be a bumpy few months for the likes of Alibaba, but as its market position remains dominant, so we remain invested.

Finally, the financial sector has seen considerable intervention from governments (not just in Asia but also in Europe and the US) ranging from restrictions on dividend payments, profit guidance of Chinese banks being set by the government and Thai authorities reducing maximum interest rates. This has implications for longer-term investors like ourselves, since such interventions affect even the best run banks in these markets and undermines the notion of banks writing risk commercially, rather than for other reasons which ultimately never ends well. It remains to be seen whether some of these interventions will be relaxed fully.

The Directors of the Company notified shareholders at the end of January of their decision to terminate the Fund with effect from 1 March, 2021. Given the level of assets under management at the time ($8.5m), the Directors considered it was no longer economically viable to continue the Fund. Accordingly, the Board of the Company, in conjunction with Polar Capital LLP, the investment manager, determined to terminate the Fund.

Financials Team

Polar Capital LLP

January 2021

Asian Opportunities fund terminated 1 March 2021

Asian Stars Fund

Fund performance

Despite COVID-19's extreme negative influence on social lives individually and economic growth globally, 2020 turned out to be a strong year for the Fund from an absolute as well as relative perspective. During the year, the Fund (US$ I Acc Share Class) returned 43.1% against 25.0% for the benchmark (MSCI AC Asia ex Japan Total Return USD Index), giving us an outperformance of 18.1% (all returns in dollar terms).

As is consistent with the Fund's track record, 2020's performance was driven principally by strong stock selection, China and Taiwan being our strongest contributors. The weakest country contributors, Vietnam and India, were driven primarily by country allocation rather than stock selection.

We saw strong contributions from a large part of the portfolio, with even our 16th best contributing stock (in a relatively concentrated portfolio) returning 52bps relative performance. Looking at the overall Fund data, we had a very good 'hit rate' from our stock selection which gives us comfort in our process and the way we construct our portfolio, at the heart of which is our integrated sustainability process and our way of looking at quality and valuation from an EVA perspective.

There are many ways to define quality and for us a year like 2020 is the ultimate test of the quality of any company. In a very short timeframe, many companies were hit by a significant disruption to their demand and supply, on top of which some also had to contend with significant geopolitical impacts. This showed which companies were agile, dynamic and on good terms with all their key stakeholders. In this regard, we feel that the companies in the Asian Stars portfolio performed well and, as a result, 2020 gives us even more cause to be optimistic for their future. Almost every company in the portfolio used their quality versus their peers to position themselves better than before, which we believe will be turned into additional returns in the years to come.

Market review

I am sure that very few investors, if any at all, mentioned COVID-19 in the outlooks they put together at the end of 2019 – we certainly did not. Instead, what we did say was we felt we had high-quality companies in the portfolio with strong sustainability profiles that we believed were very well positioned to benefit from key structural development trends. The trends we identified were around digitalisation, online living, changes in healthcare service provision, changing consumer preferences on the back of socio-demographic trends, adapting to a new multipolar world and, in particular, being able to deal, adapt and engage with ESG-related issues. This final point includes understanding how a company manages its key stakeholder environment that is increasingly a determining factor for both prosperity as well as survival.

Fund activity

2020 was a strong year for the Polar Capital Asian Stars Fund, from an absolute and relative performance perspective as well as when compared to most of its peers. We consider being able to provide the returns we did in a year like 2020 as almost the ultimate test of our investment mindset and process, as we showed our ability to adapt as a team to periods of extreme volatility. We believe that our way of viewing quality and sustainability played an essential role in this.

Continuing from our strong performance in 2019, the year started well for us on a relative basis, with good returns and outperformance. Early in 2020 we started to hear about a virus in Wuhan but like most others we assumed it was something between bad flu and a new version of SARS, but something the Chinese authorities was already on top of. This changed when coronavirus hit a totally unprepared West and it had a much harder impact on the elderly and people with underlying health conditions than what we are used to from flu.

February and March saw panic, particularly in March when we saw a total market collapse. We performed more or less in line with the market though we dropped slightly more than the market did at its worst, giving away some of our earlier outperformance. There seemed to be very few stock-specific considerations here and some stocks related to growth were punished with the view that growth was disappearing.

During Q1, having exposure to healthcare and internet services, that held up better than the overall market during the selloff, meant we held up reasonably well thanks to our growth bias. Looking at the stocks in our portfolio, the sell-down was an extreme over-reaction and on 18 March we were able to point to attractive valuation levels in our portfolio, given the gap between long-term fundamental valuation drivers and the market panic. In support of this we reverse engineered our EVA valuation model, to highlight the implied long-term return profile the market was now pricing into these long-term quality and sustainable growth companies, which we saw as significant mispricing.

Put simply, there was a big difference between the equity market and the real economy which a significant part of the investment community seemed to forget or not understand. If you then add a detailed stock-picker focus, then the selloff created a very attractive opportunity. Our call for the portfolio was that almost all our holdings had strong structural drivers, reinforced in many of them by the COVID-19 crisis so their fundamentals were significantly improving though the market did not price this in.

We owned a few companies that were negatively impacted, such as our two mall companies (Phoenix Mills in India and Vincom Retail in Vietnam). However, here we took the view that the initial market reaction was overshooting longer-term fundamentals on the downside and that it would be the right strategy to keep focusing on the longer term and hold on, or even add, to them as we were well aware that the timing of any recovery could be more difficult to get right – we felt comfortable that time was on our and our investors' side.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Asian Stars Fund continued

Fund activity continued

Finally, we took the view that we would see significant policy action in the form of monetary and fiscal stimuli and we would, in the western world, get closer to an MMT (Modern Monetary Theory – the idea that a government that is able to control its own currency should not be constrained by revenues in determining its level of spending) scenario. Our top-down view was of a significant supply-side hit that moved into a demand-side hit, but the essential questions became how hard would the demand-side hit be at an industry level, and would it move into a balance sheet crisis (as in 2008–09)? We felt that for most of our portfolio companies there was limited supply/demand-side impact, while for many there was actually improved demand and, overall, we were a long way from any balance sheet issues.

From April through to October, the market started to realise there is a big difference between some of the opportunity the equity market was offering and the underlying economy. At the same time, we saw significant policy action. It also became clear that most of the Asian economies, particularly China, South Korea, Taiwan and Vietnam, had dealt well with COVID-19, such that many of our structural quality growth companies started to see a good recovery with the Fund making strong performance gains. In fact, our portfolio significantly outperformed during this period, on an absolute and relative basis.

However, not everything worked well for us during this period which is one of the reasons we are optimistic for the portfolio for 2021. There are areas where we felt the market was still some way from fairly reflecting the fundamental improvements in areas such as technology, the consumer, financials and property in markets like India and Vietnam. Companies such as Phoenix Mills, ICICI Bank, and Vincom Retail were among the detractors for 2020 but we are holding on to them.

Around October there was a stronger consensus that there was going to be some form of real recovery in the global economy, mostly related to the West as most of Asia, with the exception of markets like India and Indonesia, had already started to return to normal. This led to another consensus around buying value, cyclical stocks. This trend was supercharged when, on 9 November, a vaccine was announced. October had been a good month but November, in both developed and emerging markets, was one of the strongest months in recent decades. The positive mood was further enhanced by the US presidential election outcome, given what the market saw as an optimal outcome of Democrat Joe Biden in the White House and a Senate that looked likely to be controlled by the Republicans. December was a strong month for emerging markets, running on reflationary sentiment around the vaccine and Biden in the White House.

The Fund gave a strong absolute return over this period though we slightly underperformed the market in what was an extreme value rally, as well as losing some relative performance from what we did not own. A large number of our portfolio stocks participated in the rally, with most of these moves justifiable given their fundamentals, which resulted in the upside being reduced in some cases, so we have been trimming or selling out of positions, with the aim of recycling capital.

We clearly have a structural growth and quality bias in our stock selection, and in one of the strongest value rallies seen in decades we will naturally see pressure on our relative performance. With that in mind, we feel reasonably pleased with the performance we delivered, particularly given our performance in the six months leading up to this point even if it is just behind the benchmark. What we were able to demonstrate is that during periods like this we are able to deliver a strong absolute return and a high degree of upside capture in a value rally.

Market outlook

From the top down, we see a favourable environment for Asian markets which should fundamentally be supportive for the operational side of the companies in our Fund. The macroeconomic environment looks conducive for growth and a positive spillover to the equity markets, some of which, given their strong run into the end of 2020, is already priced in – we could be close to a Goldilocks scenario for many Asian economies.

Almost every country, emerging and developed, has been running below its potential growth rate, so with the combination of strong stimuli from fiscal and monetary policies and coronavirus vaccines being rolled out, we expect a real economic recovery during 2021. We see a period of above-trend growth but with no real inflationary pressures as there will be a certain amount of slack in many areas, particularly in what one could call the 'old economy' (more of that later).

Inflation in the US – that will hugely impact any expectation given possible, let alone real, changes by the Federal Reserve – is likely to provide the volatility for the markets in 2021. We do not predict a strong return of inflation in the West and reduced pressure in most key emerging market countries as supply-side effects and reforms broadly reduce bottlenecks. There was a great deal of fiscal stimuli and money printing, particularly in developed markets, before COVID-19 which did not create real inflation (just massive asset price inflation) as defined by the Fed's preferred measure of core CPI.

The three Ds of debt, demographics and disruption created an environment in most old-style industries where pricing power is lacking and it is hard to remove excess capacity. You could include a fourth D, decapitalisation, with governments interfering in the markets in terms of volume and pricing with a misjudged socio-political agenda, never allowing markets to clear and totally distorting the concept of risky capital. COVID-19 and the response by governments, consumers and corporates has in our mind worsened all these Ds, making it hard to see the scenario where pricing power structurally returns to labour and capital becomes scarce to the point where industry capacity significantly changes within a medium-term time horizon.

There is increasing consensus in the markets that the dollar will continue to weaken on the back of US fiscal and monetary policy. If an investor really wants to play the weak dollar in emerging markets, they should chase exposure in the highly cyclical and commodity-related economies where dollar debt is high. This is not a risk/reward we find attractive, so we stay with our higher quality bias towards north Asia and a focus on individual stocks.

The elephant in the room is the unbelievably high debt levels we are now faced with, particularly in western economies. Debt was extremely high before the coronavirus crisis, but it has subsequently ballooned to levels that were unthinkable. There is a reasonable likelihood that during 2021 the market will swing back and take a look at debt sustainability levels that will move policy away from fiscal spending towards having the central banks doing the heavy lifting. This could easily result in value experiencing some multiplier contractions, having run up quickly on an expected earnings recovery, and also move focus back to quality growth as the fear of high inflation and rising rates will move into the background again.

One important driver for emerging markets, particularly in Asia, will be trade and exports as a contributor to recovery globally. Another, that is underappreciated by the markets, is the two sizable free trade agreements that were signed in Asia during 2020 that we will start to see the benefits of in 2021. The combination of the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will make Asia the largest free-trading zone in the world and we expect a hugely positive effect to growth and supply-chain management in the coming years. We also see this being part of this steady development of a move from decoupling to an increased regionalisation in the world in the decade to come. We will address this in more detail in a separate update.

Another important consideration for the region – and something key to our investment focus – is the future digitalisation in emerging markets. For many emerging market economies there will be a domestic development uptick as companies and society are forced to ride the digital wave. For the north Asian economies in particular there will also be huge cyclical and structural demand as they continue to gain global competitiveness as a hardware and software supplier. We expect many key technology companies in north Asia (Korea, Taiwan and China) to have a strong 2021, driven by these technology adoption trends. The COVID-19 pandemic led to rush orders for computer screens, new routers, laptops and so on, effectively buying the last inventory of the old technology. Now we know how important and urgent core technology can be, we have made some structural changes to our way of living and working and are at the start of a new technology upgrade cycle with 5G, WiFi 6 and big gadget cycles for the likes of Apple and Samsung Electronics. 5G will open up new opportunities in how we live and are entertained as well as it moving into the industrial sectors, and we will soon start to see the impact of high-performance computers more widely.

Emerging Markets and Asia Team
Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Automation & Artificial Intelligence Fund

Fund performance

The Fund (Class I US Dollar Accumulation Shares) returned 39% during 2020, compared to its global equity benchmark, the MSCI AC World Index TR Net, which was up 16.3% (in US Dollar terms). During the year, all subthemes outperformed the market. On a weight-adjusted basis, AI applications (artificial intelligence), vertical applications (automation) and AI enablers (artificial intelligence) were our best performing subthemes. Liquidity was a headwind to performance in a rising market.

Of equal importance in such a volatile year was the success of our highly active managing of the portfolio while remaining staunchly committed to our investment approach. As a result, the biggest drawdown during the year for the Fund was -29.4%, compared to -33.4% for the index, also lower than the majority of the thematic funds and ETFs that invest in a similar universe.

While every region contributed positively to the Fund's performance, Asia (average weight of 29.6%) had the largest positive impact followed by North America (average weight of 45.7%) and then Europe (average weight of 19.5%).

Similarly, every sector contributed positively; information technology and industrials contributed slightly over half the total relative performance. The structural underweight positions in the financials and energy sectors also modestly contributed positively to the total relative performance.

The top relative contributors over the course of the year were NVIDIA, Advanced Micro Devices and Daifuku. The bottom relative contributors were Apple (not owned), Tesla (not owned) and Netflix.

Market review

The MSCI AC World Index TR Net returned 16.3% in 2020 following a 26.6% return in 2019. The S&P 500 Index closed at a record high, having returned 18.4% (after returning 31.5% in 2019, its best year since 2013). Strong equity market returns belie the extraordinary and tragic events of the year, as well as the underlying market volatility. 2020 saw 28 daily S&P 500 moves of more than 3% up or down, which was more than the previous nine years combined.

The first six weeks of 2020 saw global equity markets make new highs, supported by stimulus efforts from the world's central banks in the latter half of 2019 and the perceived amelioration of some geopolitical risks, including US/China trade wars and uncertainty around Brexit. News of a coronavirus outbreak in Wuhan initially had limited impact on global markets with early concerns focused more on supply chain disruption than the potential for virus proliferation. It soon became apparent that the coronavirus had spread to more than 60 countries and, in late February, the World Health Organisation (WHO) declared a global health emergency. Governments across the world began to introduce measures designed to reduce contact and mortality rates, strict travel restrictions were imposed, and non-essential economic activity was curtailed, resulting in an almost unprecedented contraction in global GDP.

The shift in markets was similarly dramatic. From February highs, it took just 16 days for the S&P 500 to lose more than 20%, in dollar terms, the quickest descent into a bear market on record. The selloff from January/February peaks to the March lows was violent across market indices as the MSCI World Index fell -33.7%, the S&P 500 Index -33.9%, NASDAQ -28% and Russell 2000 -41.9%. Having begun 2020 at 13.8, the VIX index (a market fear gauge which measures implied volatility on the S&P 500) surged to 82.7 in mid-March. The oil price plunged -47% in March following a breakdown in talks between Saudi Arabia and Russia, followed by an exhaustion of storage capacity with the May WTI crude oil contracting to a negative price for the first time in history, reaching a low of -$37.60 per barrel. The US unemployment rate reached 14.7% in April.

The impact of lockdowns, social distancing, school closures and panic buying were not enough to keep global equity markets down for long, however, as policymakers responded quickly and aggressively. The scale of fiscal and monetary support has been staggering. Between February and December 2020 governments around the world announced fiscal stimulus packages potentially worth $15.9tn, or 18.4% of global GDP. The US CARES Act passed at the end of March provided $2.2tn in direct fiscal support for the economy in the form of recovery rebates ($1,200 per individual), enhanced unemployment benefits, $377bn in loans and grants to small businesses and $330bn in direct support to State and Local governments. The Fed was also permitted to buy primary or secondary market loans off corporations or municipalities.

In Europe, EU leaders agreed on a €1.8trn fiscal stimulus package including a €750bn post-pandemic recovery Next Generation EU fund (NGEU), which marked the first time the EU has issued common debt. Just as significant as the fiscal response was the commitment of global central banks to provide sufficient liquidity, as they offered an aggregate potential liquidity injection of $12.6trn, or 14.5% of global GDP. Central bankers' unwavering commitment to providing enough support was as significant as the scale of support itself and kept sovereign bond yields relatively stable at historically low levels.

At the June FOMC press conference Chair Jerome Powell was unequivocal: "We're not thinking about raising rates. We're not even thinking about thinking about raising rates." The US 10-year bond yield reached an historic low of 51bps on 4 August and credit markets managed to function well throughout the period. The Fed also announced a well-signalled policy shift to (more dovish) average inflation targeting. Under the new framework, the Fed will allow inflation to run moderately above the Fed's 2% goal 'for some time' following periods when it has run below that objective.

These policy actions supported a robust rebound in global equity markets from their March lows, led by the technology sector which proved extremely adept in allowing the world to continue to operate effectively from a stay-at-home footing. During the summer, US and European economic data bounced back strongly from very depressed levels as the recoveries in output (GDP), the labour market and sentiment indices surprised to the upside.

The US reading for the Citi Economic Surprise Index entered June at -55 and exited the month at 180, which was the strongest reading in history and well ahead of the previous peak of 75 in December 2017. In response to the strong economic data and Q2 results that were generally ahead of expectations, the S&P 500 set record highs in August, posting its strongest August return for 34 years. The concentration of the index also reached a higher level than any time in the past 40 years with 25% of the S&P 500 market cap accounted for by the five largest US companies – Apple, Microsoft, Amazon, Facebook and Alphabet (Google).

After a strong summer, global equity markets pulled back in September and the S&P 500 declined for four straight weeks as sentiment was restrained by increasing COVID-19 cases and deaths in Western Europe, the ongoing impasse in Washington over the next round of fiscal stimulus and fraying US/China relations. The US presidential election campaigns took place against a backdrop still dominated by COVID-19, and Democrat Joe Biden's odds improved steadily over the period, but the final result proved closer than many polls were predicting and the possibility of a Democratic landslide did not materialise.

Investor attention rapidly turned to the strong efficacy of COVID-19 vaccines following strong Phase 3 data from Pfizer and Moderna's vaccine candidates. Value, cyclical and small-cap stocks led the market higher. The move from momentum into value on the day of the Pfizer news represented a 10 standard deviation event, according to JP Morgan. The equal-weighted S&P 500 outperformed its market-cap-weighted peer by 300bps on the day, the highest dispersion ever recorded. This violent rotation reflected both the unexpectedly high degree of efficacy for Pfizer's vaccine (>90% versus >50% required for FDA emergency use authorization) and the stretched positioning of investors following a strong growth bounce post-election. November saw the small-cap Russell 2000 Index return 18.4% (its best calendar month return in history), while the large-cap Russell 1000 Index increased 11.8%.

The second half of the year saw a broadening of market strength, with strength in areas that had lagged during the COVID-19 crisis such as smaller-cap companies and more cyclical sectors. The Russell 2000 Index returned 38% from the end of June versus the S&P 500's 21% return, and the top three performing sectors were Industrials (29%), materials (28%) and financials (27%). The dollar also dropped 7.6% in the second half of the year, closing the year at its lowest level since April 2018, helping the MSCI Emerging Market Index gain 30% as investors anticipated a stronger global macroeconomic backdrop. From March lows, the MSCI World, S&P 500, NASDAQ and Russell 2000 rallied 62.9%, 61.9%, 87.3%, and 99.2% respectively.

A sharp increase in retail investor participation was a defining market feature of 2020. According to Bank of America, retail trading is running at double its historical volume, and around 6% of all US equity trades in 2020 were in Tesla shares. We have seen record buying of single-stock call options and there was also a rumour in the Financial Times that stock moves had also been influenced by a series of outsized (c$4bn) out of the money (OTM) call option bets by Softbank. The bitcoin price increased by 305.9%% during the year.

Fund activity

When investing in our four core themes – robotics, industrial automation, artificial intelligence and materials science – the Fund considers not just the providers and enablers of these technologies and the investment universe includes their customers and beneficiaries across a wide range of industries. Flexibility to invest in four themes, along with the inclusion of beneficiaries, differentiates the investment mandate from many investment products and ETFs which often focus on only one segment and usually exclude the users of these technologies.

We made several key changes to the portfolio during the year. As COVID-19 started spreading globally, we repositioned the portfolio to a more defensive standing to reflect the risk that the impact from COVID-19 could prove worse than the market initially priced. We applied conservative balance sheet stress tests on companies held in the portfolio and promptly exited positions where financial leverage and risk parameters were deemed too great. We also stress-tested whether firms would have enough cash on hand should short-term liabilities, inventory and receivables come under further pressure and exacerbate cash conversion issues. While many of our companies are significantly better positioned now than they were in the 2008–09 period, with stronger business and revenue models, prudence in such an environment served us well as we pivoted to a more defensive portfolio with a higher-than-normal cash level.

We exited some names whose earnings profile or balance sheet looked vulnerable, such as Assa Abloy, Siemens, Corning, Aspen Technology and KION. We also reduced our exposure to companies trading at a significant premium to the market where we believed earnings impacts could be more severe than their peers, such as Intuitive Surgical and Analog Devices. We used the proceeds to add to existing high-conviction names or to initiate new positions. Opportunities we found over the year included companies that can benefit from a permanent change in consumer behaviour and those where we believe the market is incorrectly assigning a permanent decline in earnings power. Ocado Group, NVIDIA, Advanced Micro Devices and FANUC are some of the examples.

As we entered the second half of the year, we gradually shifted our focus to the normalisation of economies and an eventual reopening. We reduced positions in perceived COVID-19 beneficiaries, mainly in our AI applications segment and incrementally moved the portfolio towards economically sensitive names, mainly in our materials science and robotics themes. For example, we exited Meituan Dianping, Magazine Luiza, Roper Technologies, Zoom Video Communications and Shimadzu and initiated positions in Covestro, Shima Seiki Manufacturing, Littelfuse, Infineon Technologies and Corbion. We reduced Microsoft, Amazon, Alibaba, Paypal and Rockwell Automation and added to TSMC, UnitedHealth, IPG Photonics, Hoya and Qualcomm. As a result, artificial intelligence exposure increased to 27% and robotics exposure reduced to 18%. The balance comprised 31% in our automation theme and 20% in materials sciences, with the remainder in cash.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Automation & Artificial Intelligence Fund continued

Market outlook

While 2020 has been a year many of us would rather forget, it proved a good one for the companies in our portfolio and the themes in which we invest. We have spoken throughout the year about how the COVID-19 pandemic has accelerated the adoption of new technologies and the greater implementation of AI and automation as companies scrambled to better position themselves for the new, more digitalised, world. Years' worth of behavioural pattern shifts occurred in only a few months, the universal requirement of e-commerce capabilities for vendors globally and the pivot to online grocery shopping here in the UK being some of the most obvious examples. Companies that were best positioned for this shift were rewarded with spectacular stock-price performance over the course of the year, then were among the most severely impacted when the market rotated so violently in November on the positive news of the first COVID-19 vaccine from Pfizer. We had been prudent in reducing our exposure to those companies whose benefits could be portrayed as one-time in nature, while we still see value in companies where the behaviour shift is more permanent and can continue to advance at rates that are structurally higher than before the pandemic.

In formulating an outlook for 2021, there are a myriad of factors to consider. While the UK and much of Europe has again increased lockdown restrictions in the face of rising COVID-19 cases, there is light at the end of the tunnel with vaccination rates picking up. In Europe, after the runaway performance of technology and exuberance in US markets last year, a turn in the auto and industrial cycles could help narrow the gap between US and EU markets. The news that the EU, through the €3bn European Innovation Council Fund, will look to 'plug the critical funding gap' for technology start-ups, signals a long-term intention to help the European technology industry regain some of the competitive edge lost to the US and Asia, though we do not expect to see the benefits of this for a number of years. Many economies globally are bracing themselves for one more COVID-19-related dark before the dawn period for economies, before eventual re-openings hopefully in the spring and summer months. We believe market optimism in looking past these short-term economic headwinds is warranted and look to China as an indication for how quickly economies can recover. We note how industries favouring automation, clean energy and AI have been particularly empowered in their recovery, supported by a co-ordinated strategy from the Chinese government.

In the US, following the Democrats' success in the Georgia run-offs, and despite the ensuing shocking scenes at the Capitol, we now have greater certainty over the US political landscape. The Democrats will control Congress in its entirety, albeit by the slimmest of margins, while the volatility of Trump-era rhetoric and politics are under criticism from all quarters and look to be increasingly side-lined in the near term. While their slim margins will likely temper the most radical policies of the Democrat party, greater stimulus, both direct and indirect, a corporate tax rate lift, and action on the climate change crisis are widely expected. Debate rages about both the will and the ability to enact further change, such as tech regulation, healthcare and financial reform, and perhaps less crystallised efforts to address wealth inequality; we wait for greater clarity on the top priorities for the Biden administration beyond efforts to control COVID-19. Further out, US bond yields have been rising on the expectation of stimulus-fuelled expansion and some economists and strategists are beginning to raise the prospect of a return to inflation. While this is yet to be borne out by the data, a near-term rise in global inflation rates would certainly cause volatility in equities given the consensus expectation of a benign macroeconomic backdrop including low central bank interest rates and record levels of stimulus.

With these dynamics in mind, we take positives from our frequent discussions with companies, that investments in digitisation, automation and artificial intelligence remain top priorities for the coming year. As global economies recover and open up once more, we view the structural backdrop for this theme as positively as we ever have. Following phenomenal market strength in the second half of 2020 and in early 2021, we will remain highly active with our positioning and will selectively reduce exposure where we view risk/reward profiles as unfavourable. That said, we continue to see plenty of opportunity for the portfolio during the coming year. With earnings season yet again around the corner, we are as close to our companies as ever and, as a team, pride ourselves on the frequency of our communication with management.

The aim of the Fund, as always, remains to position ourselves alongside companies that can use the core themes in which we invest to empower their own business, customers and supply chains, and deliver earnings upside in the process. We are still early in the adoption cycle of these technologies and their importance was borne out through the operating volatility of 2020. The rate and breadth of companies investing in automation and artificial intelligence continues to increase markedly, leaving us with a positive outlook for 2021 and beyond.

Technology Team
Polar Capital LLP

January 2021

Biotechnology Fund

Fund performance

The Fund returned 40.9% (Class I US Dollar Distribution Shares) in the 12 months to the end of December versus the benchmark's 26.4% for a relative outperformance of 14.5% (in US Dollar terms). The biotech sector outperformed the broader market with the S&P 500 Index returning 18.4% over the period (in US Dollar terms).

The first half of the year was dominated by a dramatic stock market crisis followed by a strong recovery as the coronavirus epidemic originating in Wuhan, China, swept around the world. Initially, the biotechnology sector felt the full force of the risk-off sentiment of investors in the initial market reaction to the disruptive threat posed by the SARS-CoV-2 virus, more widely referred to as COVID-19. The sector's performance recovered dramatically as investors sought exposure to companies developing antivirals, vaccines and other medicines that offered the potential to overcome the coronavirus threat. With central banks around the world injecting huge amounts of liquidity into the financial system to mitigate the economic damage caused by lockdown restrictions imposed around the world, that liquidity found its way into the biotech sector with some force.

This liquidity drove record quantities of capital into the sector, enabling significant IPO activity and follow-on financing activity that persisted for the rest of the year, even if overall sector relative performance started to moderate from the middle of 2020. With companies delivering positive clinical news flow, reporting operating results largely unimpaired by the coronavirus epidemic, and with the emergence of the politically moderate Joe Biden as the Democrat presidential candidate (and his subsequent election as President towards the end of the year), investor appetite to invest in biotech assets was significant, culminating in a bubble of exuberance for concept technologies such as gene therapy and gene editing towards the end of the period.

Within the Fund's portfolio, investments in Pacific Biosciences, Immunomedics, NanoString Technologies, Summit Therapeutics and Seattle Genetics were among the top absolute contributors to performance, with Stemline Therapeutics, uniQure, Global Blood Therapeutics, Quotient and Deciphera Pharmaceuticals among the main absolute detractors from performance. With respect to relative performance versus the benchmark, Pacific Biosciences, NanoString Technologies, Gilead Sciences, Synairgen and Immunovant were the largest positive contributors while Moderna, Stemline Therapeutics, uniQure, Global Blood Therapeutics and Deciphera Pharmaceuticals were the largest negative contributors. Seven Fund investments – Dermira, Stemline Therapeutics, Principia, Momenta, Immunomedics, MyoKardia and Alexion Pharmaceuticals – were acquired during the period, bringing the number of investments acquired since the Fund's inception to 31.

Overall, performance for the Fund was solid, with strong returns from the Fund's life science tools companies and the M&A situations cumulatively contributing significantly to performance. Avoiding the sector's larger diversified earnings biotech companies also helped relative performance as these stocks generally failed to perform over the period. The major disappointments were missing the strong performance of Moderna (the epitome of our frustration with the appetite of the market for COVID-19-themed stories regardless of fundamentals or valuation) as well as the poor performance of Stemline Therapeutics where we had expected greater commercial success for their oncology drug Elzonris. Cash balances also acted as a detractor to performance. Active share versus the benchmark remained high during the period, ending the period at approximately 70%.

Market review

After the strong performance of the biotech sector in the final quarter of 2019, specialist investors appeared to be approaching the new calendar year with a degree of optimism. However, in January 2020 the sector significantly underperformed the broader market. The absence of high profile M&A activity announced concurrent with the annual JP Morgan Healthcare Conference, renewed nervousness over drug pricing reform, risks from Washington with the then ascendancy of Bernie Sanders as one of the Democrat presidential candidate front-runners, added to general market volatility with the emergence of a mysterious and concerning new coronavirus epidemic in China, all served to dampen the optimistic spirit with which specialist investors had started the new calendar year.

February was all about the mounting global panic over COVID-19 which dominated the media and seemed primarily responsible for the wild volatility in the global equity markets as investors attempted to gauge the nature and magnitude of the global economic disruption from government, business and consumer responses to the widening epidemic. Our sense was that for most of the month, trading volumes were lower than expected, with lesser activity and impact from global long-only fundamental investors, and greater activity and impact from macro and quantitative strategies forcing the price action with aggressive options and derivatives strategies attempting to exploit extended technical trends on the back of media coverage of the epidemic. Low investor confidence that central banks would have adequate fiscal stimulus tools left to respond to economic disruption caused by the widening coronavirus epidemic started to become a market concern. Political developments in the US presidential election cycle also probably contributed to the broader market weakness, with the continued ascendancy of socialist Bernie Sanders to the position of Democrat candidate front-runner causing some anxiety as the primaries' voting period got underway.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Biotechnology Fund continued

Market review continued

February's mounting COVID-19 concerns descended into a full-scale global financial crisis of historic proportions in March during which the share prices of biotech companies plunged in extreme fashion, with often chaotic volatility and without any sort of fundamental basis, as investors reacted with alarm to the escalating medical, monetary and fiscal efforts around the world to both contain the viral pandemic and mitigate its impact on the global economic system. The biotech sector ended March off the lows seen part way through the month, and ultimately the sector held up better than the broader market as measured by the S&P 500, much of that probably attributable to both the defensive characteristics of the benchmark's larger companies as well as the fact that particular companies announcing specific drug and diagnostic efforts were starting to be perceived as potential beneficiaries of the COVID-19 crisis should they prove able to contribute effective medical solutions to ease and perhaps resolve the crisis, and attracted significant investor interest. The speed and ferocity of the biotech sector's recovery in April was breath-taking, taking the performance of the sector into positive territory for the year, significantly ahead of the broader market. In particular, Gilead Sciences (with an anti-viral) and Moderna (with a vaccine) were two companies that served as lightning rods for the COVID-19 'hope' trade, while throughout the month we witnessed the collective pharmaceutical and biotech industry frantically rummage through its R&D cupboards to try and either repurpose existing medicines or resurrect shelved partially-developed drug candidates against the SARS-CoV-2 virus. Several hundred clinical studies of all shapes and sizes started during the month, conducted variously by industry, governments and academic groups around the world. Throughout April, biotech companies started to update investors on their own internal protocols and degrees of business disruption from the pandemic, and generally speaking while investors started to see clinical trial timelines, and in very few cases regulatory actions, being pushed out several months due to the crisis, the impact of the coronavirus-driven disruption on companies either developing or commercialising medicines for serious life-threatening diseases seemed to be brief and relatively modest.

By early May it appeared that the major commercial healthcare markets had seen at least a first peak in the additional pressure being placed on healthcare systems and resources from managing the COVID-19 pandemic and were starting to be able to free up resources for patients with pre-existing and non-COVID-19-related illnesses. There started to be a sense that healthcare systems were at least partially returning to pre-COVID-19 workflow patterns. Indeed, the month saw the biotech sector outperform the broader market again, continuing the robust absolute and relative performance seen during April. We detected a real sense of FOMO (Fear Of Missing Out) in action with investors chasing the sector's recent strength, but we believe the sector's relative outperformance continued to be driven by a combination of the defensive growth characteristics of the benchmark's larger companies, positive management commentary on the operating environment as well as a steady stream of news flow from companies announcing specific drug, vaccine and diagnostic efforts against COVID-19.

With other non-healthcare industry verticals struggling to reassure investors on the impact of pandemic-driven business disruption, the biotech sector continued to offer itself as a relatively attractive place to allocate equity capital. That said, over the course of the month, confidence in the durability of the growth over value factor trade began to waver with the growing valuation disconnects, and we saw several attempts at factor reversal in the equity markets, which made for a volatile period. May saw a significant amount of fundraising activity across the sector – particularly several large secondary-share offerings for unprofitable clinical development-stage companies – as management teams took the opportunity of recent share price performance to raise fresh capital and strengthen balance sheets for further R&D expenditure. A large amount of new paper hitting the market over a relatively short period of time typically makes us cautious with respect to the near-term performance of the sector, as the supply/demand tension in the market becomes temporarily unsettled.

As it transpired, the biotech sector performed essentially in line with the broader market (the S&P 500) in June, ending two months of solid absolute and relative performance. It felt like investors were torn between chasing the momentum of the sector higher and taking profits from the relative outperformance attained calendar year to date. During June we continued to see a significant amount of fundraising activity across the sector – large secondary share offerings for unprofitable clinical-development stage companies, as well as several IPOs for very early-stage companies, and we believe this also contributed to the sector's more in-line performance during the month.

In July, the sector started to feel heavier again, with biotech stocks generally struggling for forward momentum. It was particularly notable that the share prices of even the larger commercial-stage companies failed to respond positively to Q2 earnings reports that beat investor expectations, suggesting that valuations and/or positioning and ownership were perceived to be relatively full in the near term. Our sense was that the recent quantum of capital markets activity, both IPO and follow-on, had soaked up a significant amount of buying demand for biotech assets.

Furthermore, at the margin, buying interest in more established companies was being tempered by wariness over renewed drug pricing reform rhetoric from Washington. During July, President Trump issued an Executive Order on the subject, which was more political theatre than substance with real policy intent, but beyond the Executive Order investors were also waiting for incremental clarity on Democrat presidential candidate Joe Biden's healthcare agenda, particularly the announcement of his running mate and, perhaps more importantly, were attempting to handicap the odds of a Democrat sweep in the US elections later in the year. July was also notable for news coming from the pipeline of COVID-19 vaccine candidates. The leading players of Oxford University/AstraZeneca, Pfizer/BioNTech and Moderna all announced detailed results from the early clinical trials of their respective vaccine candidates, which hinted at technological feasibility, and perhaps future success later in the year.

In August, the sector continued to feel heavy for much the same reasons as July, and with the leading COVID-19 vaccines all advancing into large clinical studies, it felt like investors were preparing themselves for the success of one or more of the leading vaccine candidates. The expectation that rapid government-mediated deployment across geographies would enable a quick return to pre-COVID-19 patterns of economic activity was behind investment-community thinking that this would be the catalyst for a dramatic shift in asset allocation from growth towards value, to the detriment of sectors such as biotech that are considered a growth asset class. The lack of clear direction for the biotech sector continued through September as investors waited for news from the leading COVID-19 vaccine candidates. The same was true through October where, as in September, bursts of investor enthusiasm on the back of M&A activity soon faded.

November was one of the most dramatic since the Fund's inception. At the start of the month there was major controversy around an FDA advisory meeting for Biogen's Alzheimer's disease drug candidate aducanumab. Shortly afterwards, equity markets reacted strongly to the outcome of the US presidential election, where Democrat Joe Biden won the election but without the Democrat sweep or 'blue wave', that could have energised and enabled the Democrats to pursue a more radical legislative agenda with control of Congress. The first headline results from the leading SARS-CoV-2 vaccine candidates from Pfizer/BioNTech and Moderna came soon afterwards, which together suggested much higher efficacy at preventing COVID-19 symptoms than almost anyone was expecting.

The perception that the magic bullet against coronavirus had been successfully developed was the catalyst for internal equity market factor rotations of historical proportions, with investors selling growth assets in favour of value assets and cyclicals. While in absolute terms the performance damage was modest, the biotech sector continued to lose ground on a relative basis versus the broader market.

The biotech sector ended the year with a somewhat curious December, with a strong period early in the month giving way to profit-taking in the final few trading days of the year. Although the month saw the year's largest M&A situation, the share prices of the high-profile vaccine companies fell significantly as investor attention turned from the fantasy of a COVID-19 magic bullet to the real-world logistical challenges of deploying a brand-new vaccine technology during a global public health crisis. Generally, the sector felt tired at the end of a turbulent and remarkable year. Yet at the same time, following the Thanksgiving holiday in the US, the valuations of the sector's small group of early-stage and high-risk concept stories – specifically the gene therapy and gene editing companies – exploded higher as retail investors surged into a group of popular actively-managed ETFs that own these names at high weightings. While the bubble of exuberance was briefly pricked into year end, the new calendar year of 2021 has seen the bubble aggressively re-inflate, which is causing a degree of consternation among professional investors in the sector.

Fund activity

The Fund performed ahead of the benchmark over the period. Not participating in the market frenzy to own COVID-19-themed biotech companies developing anti-viral drugs and vaccines proved to be a tactical mistake as the share price performance of several of these companies proved to be astonishing in magnitude, durability and imperviousness to any kind of valuation sanity check, only being tempered as the time came to deploy these vaccines towards the end of the period in review. Conversely, several of the Fund's larger sized investments in relatively early-stage companies performed well, in particular the life sciences tools companies Pacific Biosciences and NanoString Technologies, and the Fund benefitted from seven M&A situations which collectively contributed strongly to performance. In time order these acquisitions were Dermira Pharmaceuticals by Eli Lilly for $1.1bn announced in January; Stemline Therapeutics by Menarini for $677m in May; Principia by Sanofi for $3.4bn in August; Momenta by JNJ for $6.5bn, also in August; Immunomedics by Gilead for $21bn in September; MyoKardia by Bristol-Myers Squibb for $13.1bn in October; and Alexion Pharmaceuticals by AstraZeneca for $39bn in December.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Biotechnology Fund continued

Market outlook

As we start 2021, it feels like investor sentiment towards the biotech sector is starting to moderate from the post-vaccine success euphoria and emotionally charged exuberance of the final few months of last year. The holiday period of late 2020 saw COVID-19 pandemic infection trends worsen materially in major economic regions, accompanied with renewed lockdown directives aimed at controlling further spread of the virus and preventing healthcare systems becoming overwhelmed. As we thought, the initial deployment of the first approved SARS-CoV-2 vaccines has been much slower than promised, particularly in the US, and has been accompanied with several hiccups, snafus and controversies of varying degrees of severity and importance. In the meantime, new variants of the SARS-CoV-2 virus have recently emerged that are causing some degree of nervousness, not necessarily because they represent a challenge to the efficacy of the vaccines (we do not think they do – at least not yet), but because the new variants appear to be spreading faster than previously, threatening to overwhelm the current pace of the vaccination effort.

The arguably worsening COVID-19 situation, combined with a potential final twist in the US election after the outcome of the Georgia state Senate elections (with the election of two Democrat candidates to evenly split the Senate with Democrat Vice President Kamala Harris having the casting vote on proposed legislation) is threatening the risk-on appetite among investors to chase growth and momentum assets such as the biotech sector, particularly after last year's significant absolute and relative performance. With a split (but just-about-Democrat-controlled) Senate, in addition to the Democrat-controlled House of Representatives, investors will likely remain more wary of tax and healthcare reform initiatives over the coming few years than perhaps would have been the case if the Senate had remained controlled by the Republicans. Other issues that are starting to become headwinds for the biotech sector include the valuations of, and investor appetite for, concept biotech companies such as those in the gene editing and gene therapy space which we feel have become almost totally irrational over the past couple of months, and the record capital markets activity for the biotech sector in 2020 that brought a large cohort of early-stage companies to the public markets at relatively high valuations, with tight private/crossover-oriented shareholder registers and thin trading liquidity.

We believe the combination of these factors should make investors wary of expecting a similar magnitude of relative outperformance for the biotech sector in 2021, at least from investing in companies at the earlier-stage end of the biotech spectrum. That said, the fundamentals of the biotech sector responsible for the significant real value creation seen for investors in recent years remain intact.

Accumulating scientific insight and understanding into human biology and powerful new drug development technologies continue to create exciting new medicines. The industry is well capitalised to invest in new drug discovery and development (and to some degree increasingly self-sustaining), and the regulatory environment in the shape of the behaviour and performance of the FDA remains constructive with 53 new medicines approved last year (though perhaps in need of a refresh and reboot of leadership and focus under the incoming Biden administration after some high-profile controversies and missteps during 2020). In addition, we continue to expect further M&A activity over the coming 12 months. While we believe excessive technology platform company valuations and the continued ready availability of equity capital are creating a hard-to-reconcile mismatch for corporate buyers and sellers respectively, we believe there are several biotech companies in the revenue growth phase of their development that offer a strong risk/return profile and are potentially targets of acquisition in the relatively near term.

Sometimes it seems possible to overthink the investment case for an asset class. In 2020 it was relatively simple for biotech, in retrospect, as it was all about the macro environment. Industry and company fundamentals, valuations and business conditions became almost completely irrelevant (when at least perceived to be sound) as money supply exploded and interest rates continued to be suppressed at historically low levels by central banks to protect the financial markets against COVID-19-induced chaos. The consequence was the capital markets developed an insatiable appetite for growth assets and were prepared to assign much higher present values to higher-risk (some might say fantasy) long-dated future cashflows. The macro environment was clearly the driver of the capital markets activity for the sector, and of the exploding valuations for some of the sector's concept technology stories.

How this macro environment evolves in 2021 might well be the main factor driving returns for the biotech sector this coming year. That said, the importance and value of continued investment in biomedical research and more effective delivery of healthcare has been heightened over the past 12 months with the COVID-19 pandemic, in our view, and the recent successes of the first COVID-19 vaccine candidates sensational case studies of what biotech is ultimately capable of. This should hold the sector in good stead with investors for the foreseeable future if industry R&D productivity remains strong and there are no major changes to the pricing environment for new medicines. The Fund's focus remains on investing in what we believe to be the best people, using the best technologies, to develop the best new medicines.

Healthcare Team
Polar Capital LLP

January 2021

China Stars Fund

'Do not rely on your present good fortune; prepare for the year when it may leave you.'

Chinese proverb

Fund performance

Calling 2020 a very interesting year would be a massive understatement. What we witnessed and experienced, in financial markets and our lives, is likely to go down as one of the most extraordinary episodes for all of us, one that is deeply frustrating, bizarre, fearful but also exhilarating at the same time. Condensed into such a short period of time, the best and the worst of humanity is on full display. Greed and fear, science and ignorance, solidarity and animosity, kindness and selfishness, leadership and incompetence.

The 2020 market zeitgeist is far more than just the pandemic. It is also the year of SPACs, Robinhood, Cathie Wood and Tesla. We can easily rationalise any of these phenomena individually, but it is the totality of them that is worrisome.

The Chinese stock market went through three distinctly different phases within one year. Q1 was the panicky COVID-19 sell-off phase, followed by a swift and strong recovery in Q2 and then the cyclical recovery and value rotation phase in H2. We are pleased the Fund was able to deliver good performance in all three phases.

The top contributors to relative performance in 2020 were BYD and Microport Scientific (Microport); the biggest detractors were China Resources Pharmaceutical and Dadi Early-Childhood Education.

BYD, a vertically-integrated electric vehicle (EV) conglomerate, saw its shares increase by more than 400% as the market finally started to appreciate BYD as an EV battery technology company. We have long viewed that BYD was wrongly perceived by the market as a second-tier carmaker rather than a battery company with strong technology and cost leadership. The market ignored our arguments for years, but our conviction finally started to be rewarded during 2020. We took some profit in BYD but it is still a large holding.

Microport, an innovation-driven medical devices company focusing on high-margin cardiac products, saw its shares increase by 350% as the market finally started to appreciate its long-term growth opportunity, technology leadership and R&D prowess. We have known and liked Microport and owned the shares for a long time but because many of its products are still in their early stages of growth, the market has until recently been reluctant to value this asset on its long-term potential. It is great to see other investors start to appreciate its quality and potential. We took some profit in Microport and it is currently a small position.

China Resources Pharmaceutical, a pharmaceutical conglomerate, declined by 43%. It reported disappointing earnings as a result of poor trading in one of its consumer health subsidiaries, margin pressure in its drug distribution business and disruption to hospital visits due to COVID-19. As discussed in our November fact sheet commentary, we were too optimistic in our assessment of China Resources Pharmaceutical's management quality and we reduced our position size accordingly. It is a small position.

Dadi Early-Childhood Education shares dropped by 20% as it is a direct victim of coronavirus. Almost all the kindergartens it services have been shut since January 2020. At the very beginning of the outbreak, the board decided to waive service fees for all impacted kindergartens until they reopen. We fully supported the board's decision and believe this is the best course of action for all stakeholders in this difficult time, including shareholders' long-term interests. By November, all kindergartens had reopened. We firmly believe Dadi Early-Childhood Education will come out of this challenging period stronger thanks to its great brand, dedication to clients and passion for education. It is a midsize position.

Market review

Chinese equities rallied sharply and was one of the best-performing asset classes in 2020, primarily driven by multiple rerating. The MSCI China All Shares 12-month forward earnings multiple expanded from 12.5x at the beginning of the year to 15.5x as the year ended, a 24% expansion compared to the total return of 33% of the index. This rerating should be viewed in the context of resilience of China's economy and the strength of its structural growth potential shown during COVID-19.

Fund activity

During 2020, there were a few noteworthy new positions and exits.

We reinitiated a position in JD.com, the second largest e-commerce platform in China. JD.com's core e-commerce margin will continue to expand over the next few years. With listings of a few of its valuable subsidiaries, we also see a compelling sum-of-the-parts valuation case.

Binjiang Service Group is a regional, high-end, property management services provider that is well positioned to capitalise on the growing demand for value added community services from China's burgeoning upper-middle-class consumers.

We have exited positions in China Vanke and Sporton International, as we found better opportunities elsewhere for the capital.

Investment Manager's Report continued

For the financial year ended 31 December 2020

China Stars Fund continued

Market outlook

As we start 2021, asset prices are high globally and markets are optimistic about recovery. There are still a few uncertainties on the horizon: vaccination and herd immunity take time and we are seeing a worrisome second wave in many countries; policymakers in China are potentially looking to tighten monetary and fiscal policies given the strong recovery momentum; the regulatory environment for Big Tech is changing.

Against this backdrop, picking companies that are able to consistently deliver sustainable earnings growth is more important than ever. Unlike 2019 and 2020, returns going forwards will be driven less from multiple expansion and more from real, sustainable earnings growth. This is good news for our portfolio of high-quality companies with compelling and sustainable structural growth opportunities.

We are confident our portfolio companies will continue to deliver strong earnings growth, and they are trading at a discount to their intrinsic value. We believe the portfolio is well positioned to deliver good performance in 2021.

Emerging Markets and Asia Team
Polar Capital LLP

January 2021

Emerging Markets Income Fund

Market review

The old cliché 'a game of two halves' barely does justice to the extraordinary turnaround in global markets following the dramatic selloff low on 23 March. At that point in time the coronavirus pandemic looked set to wreak economic havoc globally, destroying businesses and jobs, and the markets reflected that probability. In reality, the economic damage from the pandemic looks set to exceed the gloomy prognostication of last March and yet markets everywhere have enjoyed the most spectacular recovery. This has been based around a prompt and aggressive policy response globally using both fiscal and monetary tools. The consequence of this was a recovery of over 70% from the lows in March, sufficient to turn a loss for the year of 31.8% into a gain of 18.3%.

The largest index constituents, notably China, Korea, and Taiwan, benefitted from a prompt and aggressive response to the virus and thus the economic impact was relatively contained. In fact, both China and Taiwan managed to register growth in 2020, albeit someway below trend, but they managed this without resorting to reckless fiscal expenditure that might have had a detrimental impact on future growth. Thus, these were the only three countries to outperform and collectively accounted for more than the sum of all the gains in the benchmark over the year. These markets also benefitted from having high weightings of technology and internet as the defining theme of the year was a massive extension of the shift from value to growth that had been ongoing since the taper tantrum in 2013.

Elsewhere the picture was more complicated, in part due to the greater severity of the pandemic, which in several cases had a brutal impact on their exchange rates but also due to the lighter weightings in the growth sectors that performed so well. In emerging Europe, Africa and the Middle East the benchmark revisited lows last seen in the depths of the global financial crisis. Currency falls were severe in both South Africa, due to its precarious fiscal position, and Russia, due to the collapse in the oil price. The high weightings in financials in Eastern Europe also proved detrimental as dividends were cut across the board following ECB guidance.

Although all these markets and currencies have recovered, the speed of recovery has been slower than in north Asia and hence over the year they have registered losses. The last quarter did see a big improvement as markets started to price in an economic recovery in 2021 driven by vaccine rollouts and consequently started a shift towards value, notably to commodities which are well represented in the region.

There was a similar story in Latin America where the response to the pandemic was arguably more shambolic than anywhere else. Brazil, with the highest budget deficit, produced the largest fiscal response while Mexico, with the lowest, produced the least. This was reflected in the relative performance of the two currencies with the Mexican peso down 5% versus a fall of 23% for the Brazilian real while their respective stock exchanges performed similarly.

Fund performance

The Fund had a torrid year, rising just 0.3% (USD I Acc Share Class), which compared with a rise in the benchmark of 18.3%. Within emerging markets, the growth index rose 31.3% while value rose just 5.5% and, most disappointingly of all, high dividend yield stocks registered a loss of 4.6%. Although data from dividend stocks in emerging markets do not go back very far, it is notable that for MSCI Asia ex-Japan this was the worst relative year for dividend stocks since 1999 and, given the very high weight of Asia in Emerging Markets, almost certainly the same for Emerging Markets as a whole. At the broadest level, the Fund's underweight position in north Asia and overweight in the Europe, Middle East and African region was the largest detractor as 2020 was the worst year of relative performance for the region in its 25-year history. Although a number of holdings in the region performed exceptionally well – notably Humansoft Holding, the Kuwaiti education provider, Fondul Proprietatea, the Romanian investment company, and Kazatomprom, the Kazakh uranium miner – there were too many poor performers, most notably among the financials such as NLB in Slovenia, Moneta in the Czech Republic and Emirates NDB in Dubai. The best performers in South Africa were in those areas the Fund was not represented such as internet (Naspers) and precious metals. Russia was also a large detractor but, in this instance, purely due to being overweight as the holdings outperformed their benchmark.

Historically defensive areas of the market, such as telecoms and utilities, were no haven during the storm in March, also significantly lagging the recovery during the remainder of the year. Owning too many defensive growth names in Korea and China and too few in technology and internet-related names accounted for the poor performance in both markets and this was where most of the underperformance during the year came from. In contrast, in Taiwan, where it is possible to find good dividend yield and dividend growth among technology stocks, performance was very strong. Performance in Latin America was marginally positive with strong performance in Mexico more than cancelling out poor performance in Brazil.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Emerging Markets Income Fund continued

Fund Activity

The Fund's weighting in financials was reduced considerably due to the looming risk of high provisioning as well as regulation dramatically curtailing the returns and consequently prospective dividends. This was done through the sale of holdings in countries where the economic impact was deemed to be severe, notably in Dubai and Brazil as well as Malaysia. There was one addition, which was China Merchant Bank, by a distance the best large bank in China. The bank was able to lift its dividend by over 27% in 2020 and is set to post earnings for last year very similar to 2019, a solid effort in the circumstances, and will resume its above-sector growth in 2021.

Geographically, the main change has been to increase the weighting in South Korea. The market is among the most cyclical in the region as well as the cheapest and there should be further pressure on the currency to appreciate. Historically, the market has suffered from low returns and poor corporate governance but there are signs this is changing. Leading this change is the country's largest chaebol, the Samsung Electronics Group, which has been proactive historically in improving dividends to shareholders. The death last October of the group's chairman, K-H Lee, left the family with a $10bn inheritance tax bill. Although payable over five years, the family will need to increase returns from their assets if they are to avoid having to sell some. This augurs well for external shareholders at a positive point in the cycle for Samsung Electronics. It should also encourage the other large shareholders to rethink their attitude to dividends given that will also be confronting a similar situation soon.

The weight in the more economically fraught countries, notably Brazil and South Africa, has been reduced. Both countries have high levels of debt to GDP and are running huge budget deficits to help them through the pandemic. Both saw their currencies collapse in the early months of 2020 but have seen significant recoveries since. This leaves them both vulnerable to any delay in an economic recovery through the lack of a vaccine or to any rise in interest rates resulting from rising inflation.

Market outlook

It is rare to start a year with optimism towards emerging markets at such a high level. The last weekly inflow for the year was the highest since January 2018 and meant that at the end of 2020 net flows to the asset class were negative to the tune of $6.2bn, a recovery of over $40bn from the depths registered in August. Nevertheless, according to Credit Suisse, the emerging market weight in global funds has only recovered to 7.3% which compares with a long-term average of 9% and an index weight of 11%, suggesting that investors can still substantially increase their allocations. The case for them doing so revolves around a strong recovery in global growth in 2021, an anticipated further weakening of the dollar and relative valuations.

The case for an economic recovery is consensus and a reasonable one given the depth of the recession in 2020, the degree of fiscal and monetary stimulus that has been injected and, perhaps, most importantly the high likelihood of a significant level of vaccination in countries representing the majority of global GDP. The risk to this is that the vaccine rollout takes far longer than currently anticipated or, worse still, that it proves less effective than suggested by the trials and that vaccinated people start to get infected.

The argument that the dollar will continue to weaken is also consensus and Commodity Futures Trading Commission data indicate that bets against the dollar are at a 10-year high. Furthermore, the dollar has already weakened by more than 10% since its high in March 2020, with the slide accelerating in the second half of the year. The argument for further weakness stems from the lower level of real yields in the US compared with both Europe and Japan given the higher rate of inflation combined with soaring current account and budget deficits. A Joe Biden presidency with Janet Yellen in charge of the Treasury and Jerome Powell in charge of the Federal Reserve is not likely to be tightening any time soon. The dynamism of the US economy, combined with the availability of vaccines, should see it recover ahead of Europe which will pressure the current account where there will be additional pressure from the two million barrel-decline in oil production, especially if the oil price keeps rising. Global investors are heavily overweight the US market which is expensive by historical standards and has been underperforming the rest of the world since early September. Any move by investors to shift some of that overweight out of the US would obviously impact the dollar. Consequently, the consensus seems justified.

That the Democrats have just taken control of the Senate only reinforces these trends. If President-elect Biden follows his agenda then an increase in government spending and an increase in taxation should be negative for the dollar and negative for the relative attractiveness of the US market, which in turn will hasten the suggested asset reallocation. The potential issue here is that emerging market currencies have already rallied strongly and the level of undervaluation is far less than it was earlier in the year. Nevertheless, if the economic recovery takes place then Asian countries in particular are likely to see their trade surpluses widen further and, given none will want to be labelled a currency manipulator, they are likely to make less effort to prevent their currencies appreciating further.

Valuation is also cited as a key attraction of emerging markets, but the asset class is not cheap by its own standards. The current price to book of over 2x is back to the peak levels following the financial crisis but it is important to bear in mind that the current index is very different given the weighting of technology and internet companies in the benchmark is now close to 40%. However, in contrast to 2010 when emerging markets traded at a premium to developed markets on a price-to-book basis, they currently reside on a 30% discount. This seems to be unreasonably wide given the strong prospects of an economic recovery in 2021.

The combination of a recovering global economy, a weakening dollar and relative valuations near historic lows suggest the bullish consensus should be right. This begs the question as to whether there can be some unwinding of the historically wide valuation differential between growth and value stocks in emerging markets. This would normally happen in a time of economic recovery and the fact that the Chinese authorities are taking a more critical approach to their leading internet names following the monopoly investigation into Alibaba Group Holding suggests a further unwind is likely. The return of dividends in financials combined with improving corporate governance and a strong earnings recovery would also suggest that higher yielding names could also have a better year on a relative basis.

Dividend

The final dividend was 7% lower than in 2019 which means the overall dividend for the year was 6.9% lower than in 2019. This cut was due to the sharp fall in emerging market currencies in the first half of the year, the cut in earnings which impacted nearly all sectors of the market with the exception of technology, and the decision by a number of financials, in particular those in the EMEA region, to not pay a dividend in 2020.

The outlook for 2021 is positive as not only will earnings be recovering but those companies concerned about cashflow in 2020 have already taken remediating action and consequently will be able to reward shareholders as their earnings recover rather than further reflect the damage of 2020. Although the ECB has extended the dividend ban until September 2021, high capital ratios and pre-emptive provisioning should make the last quarter of 2021 a bonanza period for dividends in central Europe.

Merger

After more than 30 years in the industry, of which the past 10 have been at Polar Capital, William Calvert has notified Polar Capital of his intention to retire. He joined Polar Capital in October 2010 and has managed the Emerging Markets Income Fund since its inception in January 2011. As an outcome of this change, and subject to Shareholder and Central Bank approval, Polar Capital plans to merge the Emerging Markets Income Fund into the Polar Capital Emerging Market Stars Fund, another sub-fund of Polar Capital Funds Plc.

The decision to merge the two funds was made following a review of the Emerging Markets Income Fund by Polar Capital which found that the investment process and investment strategy are similar in many respects to that of the Emerging Market Stars Fund, noting that the Emerging Market Stars Fund will aim to seek capital growth rather than to achieve both income and long-term capital growth, which is the objective of the Emerging Markets Income Fund. Polar Capital has recommended to the Directors that the Merger proposal be put to the Shareholders to facilitate those Shareholders who wish to continue their investment in the emerging markets. If approved, the merger is proposed to take place in Q2 2021.

Emerging Markets and Asia Team

Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Emerging Market Stars Fund

Fund performance

Despite COVID-19's extreme negative influence on social lives individually and economic growth globally, 2020 turned out to be a strong year for the Fund from an absolute as well as relative perspective. During the year, the Fund (US$ I Acc Share Class) returned 37.9% against 18.3% for the benchmark (MSCI Emerging Market Net Total Return Index), giving us an outperformance of 19.6% (all returns in US Dollar terms).

As is consistent with the Fund's track record, 2020's performance was driven principally by strong stock selection. Our strongest markets were China, Taiwan and Argentina from a country perspective, with Brazil the only material detractor, with smaller negative contributions from India and Vietnam. Sector-level returns for the years were positive across all sectors, with the exception of real estate though there was a positive selection effect here.

We saw strong contributions from a large part of the portfolio, with even our 18th best contributing stock returning 50bps relative performance. This gives us comfort in our process and the way we construct our portfolio, at the heart of which is our integrated sustainability process and our way of looking at quality and valuation from an EVA perspective. This helped us to, once again, win the IM|Power Wisdom of Selector ESG Awards, in partnership with Sharing Alpha, in the Emerging Market ESG Equities category.

There are many ways to define quality and for us a year like 2020 is the ultimate test of the quality of any company. In a very short timeframe, many companies were hit by a significant disruption to their demand and supply, on top of which some also had to contend with significant geopolitical impacts. This showed which companies were agile, dynamic and on good terms with all their key stakeholders. In this regard, we feel that the companies in the Emerging Market Stars portfolio performed well and, as a result, 2020 gives us even more cause to be optimistic for their future. Almost every company in the portfolio used their quality versus their peers to position themselves better than before, which we believe will be turned into additional returns in the years to come.

Market review

We are sure that very few investors, if any at all, mentioned COVID-19 in the outlooks they put together at the end of 2019 – we certainly did not. Instead, what we did say was we felt we had high-quality companies in the portfolio with strong sustainability profiles that we believed were very well positioned to benefit from key structural development trends. The trends we identified were around digitalisation, online living, changes in healthcare service provision, changing consumer preferences on the back of socio-demographic trends, adapting to a new multipolar world and, in particular, being able to deal, adapt, and engage with ESG-related issues. This final point includes understanding how a company manages its key stakeholder environment that is increasingly a determining factor for both prosperity as well as survival.

Fund Activity

2020 was a strong year for the Polar Capital Emerging Market Stars Fund, from an absolute and relative performance perspective as well as when compared to most of our peers. We consider being able to provide the returns we did in a year like 2020 as almost the ultimate test of our investment mindset and process, as we showed our ability to adapt as a team to periods of extreme volatility. We believe that our way of viewing quality and sustainability played an essential role.

Continuing from our strong performance in 2019, the year started well for us on a relative basis, with good returns and outperformance. Early in 2020 we started to hear about a virus in Wuhan but like most others we assumed it was something between a bad flu and a new version of SARS, but something the Chinese authorities was already on top of. This changed when coronavirus hit a totally unprepared West and it had a much harder impact on the elderly and people with underlying health conditions than what we are used to from flu.

February and March saw panic, particularly in March when we saw a total market collapse. We performed more or less in line with the market though we dropped slightly more than the market did at its worst, giving away some of our earlier outperformance. There seemed to be very few stock-specific considerations here and some stocks related to growth were punished with the view that growth was disappearing.

During Q1, having exposure to healthcare and internet services, that held up better than the overall market during the selloff, meant we held up reasonably well thanks to our growth bias. Looking at the stocks in our portfolio, the sell-down was an extreme over-reaction and on 18 March we were able to point to attractive valuation levels in our portfolio, given the gap between long-term fundamental valuation drivers and the market panic. In support of this we reverse engineered our EVA valuation model, to highlight the implied long-term return profile the market was now pricing into these long-term quality and sustainable growth companies, which we saw as a significant mispricing.

Put simply, there was a big difference between the equity market and the real economy which a significant part of the investment community seemed to forget or not understand. If you then add a detailed stock-picker focus, then the selloff created a very attractive opportunity. We felt almost all our portfolio holdings had strong structural drivers, reinforced for many by how they reacted to the COVID-19 crisis, showing their fundamentals were significantly improving though the market had not priced this in.

We owned a few companies that were negatively impacted, such as our two mall companies (Phoenix Mills in India and Vincom Retail in Vietnam). However, here we took the view that the initial market reaction was overshooting longer-term fundamentals on the downside and that it would be the right strategy to keep focusing on the longer term and hold on, or even add, to them as we were well aware that the timing of any recovery could be more difficult to get right – we felt comfortable that time was on our and our investors' side.

Finally, we took the view that we would see significant policy action in the form of monetary and fiscal stimuli and we would, in the western world, get closer to an MMT (Modern Monetary Theory – the idea that a government that is able to control its own currency should not be constrained by revenues in determining its level of spending) scenario. Our top-down view was of a significant supply-side hit that moved into a demand-side hit, but the essential questions became how hard would the demand-side hit be at an industry level, and would it move into a balance sheet crisis (as in 2008–09)? We felt that for most of our portfolio companies there was limited supply/demand-side impact, while for many there was actually improved demand, and overall we were a long way from any balance sheet issues.

From April through to October, the market started to realise there is a big difference between some of the opportunity the equity market was offering and the underlying economy. At the same time as we saw significant policy action. It also became clear that most of the Asian economies, particularly China, South Korea, Taiwan and Vietnam, had dealt well with COVID-19, such that many of our structural quality growth companies started to see a good recovery with the Fund making strong performance gains. In fact, our portfolio significantly outperformed during this period, on an absolute and relative basis.

However, not everything worked well for us during this period which is one of the reasons we are optimistic for the portfolio for 2021. There are areas where we felt the market was still some way from fairly reflecting the fundamental improvements in areas such as technology, the consumer, financials and property in markets like India and Vietnam. Companies such as Phoenix Mills, ICICI Bank, and Vincom Retail were among the detractors for 2020 but we are holding on to them.

Around October there was a stronger consensus that there was going to be some form of real recovery in the global economy, mostly related to the West as most of Asia, with the exception of markets like India and Indonesia, had already started to return to normal. This led to another consensus around buying value, cyclical stocks. This trend was supercharged when, on 9 November, a vaccine was announced. October had been a good month but November, in both developed and emerging markets, was one of the strongest months in recent decades. The positive mood was further enhanced by the US presidential election outcome, given what the market saw as an optimal outcome of Democrat Joe Biden in the White House and a Senate that looked likely to be controlled by the Republicans. December was a strong month for emerging markets, running on reflationary sentiment around the vaccine and Biden in the White House.

The Fund gave a strong absolute return over this period though we slightly underperformed the market in what was an extreme value rally, as well as losing some relative performance from what we did not own. A large number of our portfolio stocks participated in the rally, with most of these moves justifiable given their fundamentals, which resulted in the upside being reduced in some cases so we have been trimming or selling out of positions, with the aim of recycling capital.

We clearly have a structural growth and quality bias in our stock selection, and in one of the strongest value rallies seen in decades we will naturally see pressure on our relative performance. With that in mind, we feel reasonably pleased with the performance we delivered, particularly given our performance in the six months leading up to this point even if it is just behind the benchmark. What we were able to demonstrate is that during periods like this we are able to deliver a strong absolute return and a high degree of upside capture in a value rally.

Market outlook

From the top down, we see a favourable environment for emerging markets which should fundamentally be supportive for the operational side of the companies in our Fund. The macroeconomic environment looks conducive for growth and a positive spillover to the equity markets, some of which, given their strong run into the end of 2020, is already priced in – we could be close to a Goldilocks scenario for many emerging market economies.

Almost every country, emerging and developed, has been running below its potential growth rate, so with the combination of strong stimuli from fiscal and monetary policies and coronavirus vaccines being rolled out, we expect a real economic recovery during 2021. We see a period of above-trend growth but with no real inflationary pressures as there will be a certain amount of slack in many areas, particularly in what one could call the 'old economy' (more of that later).

Inflation in the US – that will hugely impact any expectation given possible, let alone real, changes by the Federal Reserve – is likely to provide the volatility for the markets in 2021. We do not predict a strong return of inflation in the West and reduced pressure in most key emerging market countries as supply-side effects and reforms broadly reduce bottlenecks. There was a great deal of fiscal stimuli and money printing, particularly in developed markets, before COVID-19 which did not create real inflation (just massive asset price inflation) as defined by the Fed's preferred measure of core CPI.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Emerging Market Stars Fund continued

Market outlook continued

The three Ds of debt, demographics and disruption created an environment in most old-style industries where pricing power is lacking and it is hard to remove excess capacity. You could include a fourth D, decapitalisation, with governments interfering in the markets in terms of volume and pricing with a misjudged socio-political agenda, never allowing markets to clear and totally distorting the concept of risky capital. COVID-19 and the response by governments, consumers and corporates has in our mind worsened all these Ds, making it hard to see the scenario where pricing power structurally returns to labour and capital becomes scarce to the point where industry capacity significantly changes within a medium-term time horizon.

There is increasing consensus in the markets that the dollar will continue to weaken on the back of US fiscal and monetary policy. If an investor really wants to play the weak dollar in emerging markets, they should chase exposure in the highly cyclical and commodity-related economies where dollar debt is high. This is not a risk/reward we find attractive, so we stay with our higher quality bias towards north Asia and a focus on individual stocks.

The elephant in the room is the unbelievably high debt levels we are now faced with, particularly in western economies. Debt was extremely high before the coronavirus crisis but it has subsequently ballooned to levels that were unthinkable. There is a reasonable likelihood that during 2021 the market will swing back and take a look at debt sustainability levels that will move policy away from fiscal spending towards having the central banks doing the heavy lifting. This could easily result in value experiencing some multiplier contractions, having run up quickly on an expected earnings recovery, and also move focus back to quality growth as the fear of high inflation and rising rates will move into the background again.

One important driver for emerging markets, particularly in Asia, will be trade and exports as a contributor to recovery globally. Another, that is underappreciated by the markets, is the two sizable free trade agreements that were signed in Asia during 2020 that we will start to see the benefits of in 2021. The combination of the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will make Asia the largest free-trading zone in the world and we expect a hugely positive effect to growth and supply-chain management in the coming years. We also see this being part of this steady development of a move from decoupling to an increased regionalisation in the world in the decade to come. We will address this in more detail in a separate update.

Another important consideration for the region – and something key to our investment focus – is the future digitalisation in emerging markets. For many emerging markets economies there will be a domestic development uptick as companies and society are forced to ride the digital wave. For the north Asian economies in particular, there will also be huge cyclical and structural demand as they continue to gain global competitiveness as hardware and software suppliers. We expect many key technology companies in north Asia (Korea, Taiwan and China) to have a strong 2021, driven by these technology adoptions trends. The COVID-19 pandemic led to rush orders for computer screens, new routers, laptops and so on, effectively buying the last inventory of the old technology. Now we know how important and urgent core technology can be, we have made some structural changes to our way of living and working and are at the start of a new technology upgrade cycle with 5G, WiFi 6 and big gadget cycles for the likes of Apple and Samsung Electronics. 5G will open up new opportunities in how we live and are entertained as well as it moving into the industrial sectors, and we will soon start to see the impact of high-performance computers more widely.

Emerging Markets and Asia Team
Polar Capital LLP

January 2021

European ex UK Income Fund

Fund performance

In 2020, the European ex UK Income Fund underperformed (Class I GBP Accumulation Shares) by -5.9% on an absolute basis and by -13.4% relative to the MSCI Europe Daily Total Net Return, excluding UK, Euro Index.

Style-wise, higher-dividend stocks materially underperformed the index with their defensive credentials undermined by the degree of dividend which are cuts. In addition, growth stocks and sectors like tech materially outperformed and these typically offer dividends which are too low for many income investors. Our key sector bets in pharma, telecoms and non-life insurance underperformed despite the resilience of their underlying earnings relative to the index. The Fund's structural underweight cyclicals was a drag on performance in the dramatic rally post-stimulus.

The top five relative contributors to performance were Deutsche Post, Scandinavian Tobacco Group, Brenntag, Airbus Group* and Deutsche Telekom. Contrastingly, the top five relative detractors were Nos, ING Groep, Bayer, ASML Holding* and Scor.

Market review

An outbreak of coronavirus in the Chinese region of Wuhan in the middle of January quickly evolved into a global pandemic. In February, markets rushed to price the potential implications of the virus with a dramatic selloff with low differentiation between sectors and stocks. Outside equities, the Bloomberg Commodity Index fell nearly 5% (with a double-digit fall in oil), euro investment-grade spreads widened 29bps, euro high yield widened 113bps and euro inflation swaps (5y5y) fell to record lows. The VIX hit 49.5 on 28 February, a level where volatility has typically peaked with the exception of the global financial crisis. The oil price collapsed with the ongoing OPEC conflict, adding a supply worry to the virus demand hit. Policymakers did a good initial job of underpinning financial markets and underwriting lockdowns, but the next phase is a key determinant for medium-term growth trajectories to minimise damage from unemployment and business insolvency trends.

The European Union announced agreement on both a €750bn pandemic recovery fund (of which €390bn is grants) and a €1.1bn seven-year budget package. After a 3.6% drop in Q1, eurozone GDP contracted by 12.1% in Q2. The asymmetric impact of the pandemic shock was fully visible in the cross-country dispersion: Italy, Spain and France, where coronavirus-related containment measures have been remarkably strict, contracted by -12.4%, -18.5% and -13.8% respectively, in stark contrast to Germany where a more resilient economy combined with a softer lockdown provided for a lower fall in output (-10.1% in Q2).

Over June and July, there was a slowdown in the rate of credit downgrades in Europe. Bank of America data showed €38bn net downgrades for the past two months compared to c€400bn year to date, while European non-financials added €515bn cash to their balance sheets.

The extent to which ultra-low bond yields drove relative performance in equity markets was shocking and as a result created large distortions in very expensive growth stocks. This led to traditional warning signs for the market having entered the highly speculative phase. These warning signs include retail investor activity on platforms such as Robinhood, extreme positioning in options markets, surprising capital raises to pursue growth in hot growth segments (eg RWE's* capital raise to grow in renewable energy) and market leadership not consistent with a successful reflation policy. The underlying recovery in 2020 was uneven. PMI data continued to show the clear divergence between manufacturing and services, while corporates at conferences also pointed to a divergence between northern and southern Europe.

Now is the time to be open-minded about the macro outlook because the 2021 macro outcome will be a result of which side comes out on top in several big opposing forces: seemingly highly effective vaccines versus the ongoing pandemic waves, stimulus versus potential job losses and bankruptcies, pockets of real economy lockdown-impacted deflation versus nominal economy inflation (financial and housing assets). Against these uncertainties, we feel that negative-yielding debt and rerated growth stocks offer little margin of safety and potentially unattractive asymmetries of prospective returns. Any phase shift to higher bond yields would prove extremely painful quickly, especially where portfolio construction is based on correlations that change. Extreme high, and low, valuations are pricing in very good, and very bad outcomes as inevitable. This reflects a degree of confidence that investors should always be wary of. We see our portfolio as compelling relative to both bonds and expensive growth stocks at this point.

A last-minute Brexit deal was reached in December. Avoiding a chaotic no-deal scenario is positive from a continental European equity perspective because of the trade and geopolitical ties between the UK and European Union. The end of the year saw the return of lockdowns to European countries. Broadly, the market had expected a difficult winter/spring. Our central scenario remains that vaccines will be rolled out and offer sufficient efficacy (including against variants) to offer a better picture beyond the spring. That said, our structural underweight to the lowest quality stocks should offer some protection if the picture were to deteriorate, particularly given how much cyclicals have outperformed defensives since the market trough.

* not held

Investment Manager's Report continued

For the financial year ended 31 December 2020

European ex UK Income Fund continued

Fund activity

In January, we started a position in Anheuser-Busch InBev (global brewer). The shares have been out of favour in recent years and the valuation looked compelling. The group is much more diversified than it was a few years ago (ie less troublesome US mainstream beer weight in profits), while some of its key emerging markets should see good profit growth over the medium term. We viewed this as a good entry point into a European global champion that looked cheap relative to global peers. We sold our position in Telenet (Dutch cable stock). Generally, cable businesses have struggled in recent years. Some regulators are looking to force them to offer wholesale access to other players. National incumbents are gradually upgrading legacy copper to more competitive fibre and the cable pay TV businesses are facing stiffer competition from 'over the top' television, where content is streamed over the internet, and some players have pushed pricing too far.

The increased market volatility in February led to more activity for the Fund and we exited several positions in the month. Before the selloff, a couple of stocks had hit our price targets: Zurich Insurance Group (global insurer) and Inditex (apparel retailer). We also exited our position in Siemens (a mixture of valuation and some worries about mixed reporting). During the selloff, we sold Kuehne & Nagel International (a logistics business) that announced a 33% dividend cut and looked relatively expensive on account of elevated virus risks. We started positions in three stocks: Scor (a reinsurer), Vinci (infrastructure and services group) and Novartis (pharma major). Scor traded around book value despite its 10% return on equity and attractive dividend yield. The shares performed weakly after a failed M&A approach. However, we viewed the standalone business case for Scor as attractive. We considered Vinci to be compelling due to the group's strong and diversified concession exposure, superior balance sheet and financial firepower, and relatively low risks to earnings. We bought back into the pharma group Novartis in the middle of the selloff. The shares looked cheap given strong prospective earnings growth over the next few years. The company's strategy is now more focused on innovative medicine after a long period of execution issues when the company was too complex.

As the COVID-19 pandemic crisis became increasingly serious, with morbidity rates exceeding intensive care capacities in many countries driving extensive lockdowns, we turned our focus to the Fund. We focused on two key things: protecting capital and protecting near-term dividend streams, in the middle of the broader dividend carnage. Europe had many dividend cuts. A single day in March saw 20 companies cut their dividends. This is remarkable considering these dividend distributions were in relation to already-achieved 2019 profits. In March, we focussed on repositioning the Fund to protect capital and its dividend stream, during an incredibly difficult period for contrarian and value investors.

We sold our positions in Galp Energia (Portuguese energy stock), a Spanish airport operator (Aena) and both our remaining bank holdings: ING Groep (eurozone bank) and Handelsbanken (Swedish). We rotated the proceeds into three defensive stocks whose valuations had pulled back recently. For example, we bought Tele2 (Nordic telco) that had always previously screened as too expensive on our watchlist. The company had been exiting unattractive geographies and is now more focused on the attractive Swedish market. Tele2 is converged, offering both fixed and mobile, and therefore should provide synergies when there will be greater cuts to broader market earnings. We also started positions in two consumer staples stocks that had pulled back to 5% normalised free cashflow yield: Heineken (global brewer) and Unilever (Dutch/UK food and home and personal care business). Unilever has manageable exposure to food service and a defensive portfolio consisting of essentials available online (household cleaning products) and/or non-perishable products (tea, stock cubes) limiting earnings downside risk. Heineken's structurally high premium beer exposure offers some demand protection and brand loyalty makes it easier to predict cashflows resulting in a more recession-proof stock.

We bought back into Inditex (apparel retailer) in June having sold the stock on valuation grounds earlier in the year. The business has a well-earned reputation for superior execution relative to the sector with regards to digital, the ability to profitably build secondary store brands and the responsive supply chains. It is one of those businesses that we expect to emerge stronger over the medium term due to an acceleration in digital and a significant rationalisation of less profitable stores. The group is also likely to be a relative beneficiary of retail real estate woes with opportunities to negotiate reduced rent and some competitor failures over the near term.

In the second half of the year, we sold two poorly performing stocks where we had lost conviction. We sold our disappointing position in Bpost (Belgian postal and logistics business). We have lost confidence in the broader postal sector given material issues in several of the names as mail volume declines have accelerated in recent years, while parcel growth is likely at low profitability due to intense competition. These issues have been exacerbated at Bpost by M&A activity that was hoped to accelerate the diversification away from core mail but have proven disappointing. We also sold our position in Bayer after it gave a profit warning. Despite its low valuation, our confidence in the medium-term outlook diminished as its prospects in agricultural chemicals worsened and its pharma business pipeline of potential drugs will need rebuilding ahead of a significant patent cliff in the middle of the decade.

By the autumn, our view of the pandemic had evolved, with our focus turning to the resilience of capital structures and sustainability of dividends. We bought several positions we felt offered near-term resilience and medium-term recovery potential. We bought back into Munich Re (global reinsurer). There has been positive momentum in reinsurance pricing after several years of the industry earning low returns on equity and the central bank interventions in credit markets have also made the insurer's balance sheets look much lower risk than in the spring. We also started a small position in Getlink (Eurotunnel operator) given the strong competitive position of the Channel Tunnel and the long term of the concession.

We started a position in Pernod Ricard (global spirits business). Unlike most recessions, we think these stocks also offer more of a recovery dynamic because of the off-trade pandemic hit (ie drinking in bars and restaurants). We think Pernod's strong brands underpin consensus double-digit earnings growth over the next three years. We started a position in Assa Abloy (Swedish locking solution and access control systems business). The impact of lockdowns and social distancing created an attractive entry point into Assa Abloy. The company generates revenue through R&D, manufacturing and selling locks and access solutions on a global scale. They have shown consistent 3–5% sales growth through the cycle. We think the appeal in Assa Abloy's business lies in the combined perceived simplicity of the business, with the underlying complexity and timelessness of the product (ie strong barriers to entry).

In December, we bought back into Nestlé (Swiss consumer staples company) after the shares sold off in the post-vaccine rally. We have long admired the Nestlé model of consistent top-line growth, operating leverage through the income statement and dividend-providing, low-risk, double-digit total shareholder returns. The new CEO has improved operational performance and executed good portfolio changes. The company's recent excellent performance demonstrates it has a portfolio and innovation pipeline that can succeed in a post-COVID-19 world.

Our dividends paid in 2020 ended down c15% year on year, materially more resilient than the index. Going forward, we continue to expect dividends paid to be flattish in 2021 then resume mid-single-digit growth next year. While our absolute and relative performance disappointed this year, the underlying fundamentals of the portfolio remain strong and should reassure.

None of our portfolio holdings had rights issues in 2020 so the dividend per share power remains undiluted. In addition, the 15% dividend cut partly reflects the proactive sales of our two remaining bank stocks, with Aena (Spanish airport operator) and Galp (energy group) being rotated into higher-quality consumer businesses (Heineken, Inditex, Unilever and Pernod). This rotation means the Fund's dividend cut is at least partly compensated by better prospective dividend growth in these purchases. In addition, 2020 represented a multi-decade stress test of dividends clearing out many unsustainable dividends and some more pandemic-centric ones. As a result, we would argue those companies that continue to pay attractive dividends deserve much better sentiment than their valuation ratings currently imply. We maintain very high conviction that our dividend relative resilience and return to growth will reward our patience in our investment process.

Market outlook

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

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

European Income Team
Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Financial Opportunities Fund

Fund performance

Following a sharp sell-off in the first quarter, market movements were largely dictated by developments in the coronavirus pandemic with progress on vaccine developments in the second half of the year allowing investors to look through near-term disruption. Consequently, in what had been an extraordinary year, optimism about the potential for economic recovery in 2021 led to a sharp recovery in the second half of the year with the Fund rising 29.7% (Class I US Dollar Accumulation shares) versus 25.8% in the MSCI ACWI Financials Net TR Index, both in US Dollar terms. For the full year, the Fund declined 2.6% (Class I US Dollar Accumulation shares) outperforming the benchmark index by 1.2% in US Dollar terms. The relative performance was supported by the Fund's payments, exchanges and emerging market exposure, primarily in Asia. The drag from the Fund's overweight position in banks during the sell-off in the first quarter was largely offset by their subsequent recovery in the latter part of the year while performance was negatively affected by the write-down in Atom Bank and the Fund's cash position.

Market review

US financials outperformed during the year and while US banks were relatively weak following the selloff in the first quarter, they saw a strong recovery in the second half supported by vaccine developments which led to a revaluation of the prospects for economic recovery, reflected in higher bond yields and a rise in inflation expectations, and acted as a catalyst for a dramatic rotation into value stocks. While revenue trends at US banks have been mixed, asset quality remained resilient leading to a material fall in provisioning in 3Q20 (a number of banks saw reserve releases in the quarter) following a build-up of reserves in 1H20. Despite the initial disappointment that the US election was not set to deliver significant fiscal stimulus from a 'blue wave' (leading to a fall in Treasury yields), the combination of a Joe Biden victory and the continued control of the Senate by the Republicans prior to the January run-offs was taken positively by the market. The appointment of Janet Yellen as the Treasury Secretary also reduced the risk of a significant tightening in regulation for the financial sector (regulatory hawk Elizabeth Warren had been seen as a potential candidate).

Strength in Asian markets (MSCI Asia ex Japan Financials +2.6% in 2020, in US Dollar terms) supported the Fund's performance with macro trends in the region remaining relatively resilient. The overall macro environment in Asia saw a relatively quick improvement, added to which there was evidence of better control of new COVID-19 infection cases than elsewhere globally which reassured on the sustainability of the recovery. Support from the recovery in exports in South Korea, China, Taiwan and Singapore was led by strength in north Asia with their bias to technology-related exports (Singapore was helped by pharma exports). Later in the year, south-east Asia saw the beginnings of a recovery in exports although they remained materially weaker than north Asia.

Operating trends reported by the region's banking sector generally showed a robust performance, with Indian private sector banks reporting resilient asset quality while profitability remained strong despite a slowdown in loan growth. Chinese banks continued to report reasonable figures although it is worth noting there is considerable government intervention on what profits can be reported.

European financials underperformed in 2020 (-9.9%, in US Dollar terms) with the prospect of additional restrictions weighing on the sector as a number of governments in the region announced partial lockdowns in an attempt to contain a second wave of infections. Uncertainty on UK and EU Brexit negotiations added to concerns in the region and while the worst-case scenario of a no-deal Brexit was ultimately avoided, the agreement still represents a hard Brexit (the Office of Budget Responsibility has estimated a 4% impact to GDP over the medium term) and leaves a number of questions unanswered, particularly over the treatment of services. With the outlook for dividend restrictions closely tied to economic trends, the potential for prolonged second lockdowns in the region also dented optimism that the blanket ban on bank dividends would be lifted. The European Central Bank (ECB) announcement in December of a partial relaxation in capital return restrictions was directionally positive but is more restrictive than other regions, takes no account of an individual bank's balance sheet strength and highlighted the ECB's willingness for a more interventionist approach.

Fund activity

With visibility on the asset quality outlook improving following reductions in loans under deferral while valuations continued to price in a material further deterioration in macro assumptions, we raised our banking exposure in the second half of the year across regions, having materially reduced it in the first half. This was supported by our confidence in the sector's balance sheet strength and proactive provisioning which raised loan loss reserves significantly in the first half of the year, particularly in the US and Asia. Consequently, the sector offered strong catalysts for recovery as economies reopened, a normalisation in provisioning supported earnings growth and with capital return set to increase following an easing in regulatory restrictions.

The tailwinds in place for e-commerce-focused payment companies were highlighted by their strong results during the period. PayPal's active customer accounts rose 21% y/y in 2Q20 while total payment volumes rose 30% y/y. The health crisis accelerated the shift to online across industries and companies like PayPal and Adyen (both held in the Fund) are particularly well placed to benefit from the acceleration in this structural shift. After raising our exposure to payment companies in the early part of the year we later took profits across a number of our payment holdings on valuation considerations following a sharp rerating in the sector, although we continue to have material fintech exposure (10% of the Fund).

Another key change during the year was the increase in the Fund's emerging market exposure, primarily through an increased weighting to Asia. While the revenue picture there is mixed, with some banks seeing widening margins on the back of falling funding costs while others, usually in countries with very low interest rates, are seeing pressure on their margins, it was clear we were not seeing the usual emerging market banking crises and asset quality generally remained resilient. With macro trends highlighting a relatively strong recovery in the region, we raised our exposure to Asia with additions to India, Hong Kong, China, Thailand, Indonesia and Vietnam.

Market outlook

While recent events have highlighted the path to recovery will not be a smooth one, we continue to view the sector as well placed to benefit from the gradual reopening of economies in 2021. We are seeing material differences in the pace of recovery across regions and the Fund has benefited from its shift towards Asia which has demonstrated more resilient macro trends and been less impacted by the second wave of the pandemic. Despite the recent recovery, valuations remain attractive and we continue to view key supports for the banking sector in 2021 from earnings normalisation and an increase in capital return. Ultimately, we expect this crisis to highlight the resilience of the sector and the extent to which it has evolved since the global financial crisis.

Financials Team

Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Absolute Return Fund

Fund performance

The Polar Capital Global Absolute Return Fund returned 22.65% (Class I US Dollar Accumulation) in 2020, taking its return since inception to 25.46% (Class I US Dollar Accumulation).

Market review

Financial markets had an exceptionally volatile year in 2020. The year began on a strong note for risk assets on the back of solid underlying economic performance and positive earnings growth. By the middle of January, the S&P 500 was already up over 3.1% with the Eurostoxx600 only slightly behind, at 2.1%. However, the outbreak of COVID-19 caused a reversal of these gains.

Initially, losses were concentrated in emerging markets in general and Asia in particular, with the MSCI Emerging Markets Index and Hang Seng Index falling 4.7% and 6.7% respectively in January versus the S&P 500 closing the month roughly unchanged. However, as the pandemic and lockdowns spread globally, so too did the selloff in risk assets. Over the next two months global markets endured what was, on some measures, their most severe collapse since 1929. The MSCI World Equity Index plunged 34% in the five weeks through 23 March while credit spreads simultaneously widened dramatically as well (CDX North American High Yield Index widened from 280bp to 820bp over the same period). Losses were heaviest in cyclical and asset-heavy sectors such as travel, retail and auto manufacturers. This mirrored the significant declines in economically sensitive commodities (WTI oil:-13.2%; Iron ore:-10.3%)

Unsurprisingly, with investors concerned about the potential for lockdowns to cause a collapse in economic activity, interest rates plunged and there was a significant flight to safety as the 10-year US treasury yield fell from 160bp to all-time lows of 60bp. Similarly, market volatility rose with the VIX reaching its highest levels since 2009.

Initially, convertibles outperformed broader markets, helped by the relative strength of the US IT sector. However, as the contagion in risk assets spread, convertible prices eventually declined as well. It is noteworthy, however, that although convertibles did reach attractive levels there were no signs of forced selling nor investor distress. Rather, convertible markets remained orderly throughout which supports our oft-stated belief in the fundamental health of the investor base and the breadth of the demand for the asset class.

Eventually, the Federal Reserve released a statement indicating its willingness to use all tools at its disposal and act as necessary to support the economy, including buying corporate bonds. This was followed early in March by an emergency 50bp rate cut – only the eighth emergency inter-meeting Fed cut in the past 25 years (source: Deutsche Bank) as well as a massive $1.7trn expansion in the Fed's balance sheet in March alone. These actions were followed by dramatic fiscal measures as well, such as the US CARES Act which totalled over 11% of GDP by itself. This resulted in the largest and most rapid increase in M2 in history, significantly eclipsing anything seen during the global financial crisis.

These policies were mirrored by other central banks and governments globally. In conjunction with dramatic expansions in fiscal support around the world as well as loan guarantees, payroll furlough programs and direct support to taxpayers, the policy response proved sufficient to backstop consumer spending in Q2 despite the unprecedented falls in employment and also to buttress investor sentiment.

This marked the lows for risk assets, setting the stage for one of the most dramatic risk rallies in market history. From the lows on 23 March, the MSCI World Equity Index rose 66.7% while the CDX North American HY Index tightened nearly 600bp from 870bp to 290bp.

The strength in markets was almost unidirectional through much of Q2 and Q3, pausing only in the late summer and September as questions arose about the potential for renewals of fiscal relief and as investor attention began to focus on the US presidential election. However, the election resulted in a seemingly benign outcome for investors and this occurred in near tandem with the announcements from Pfizer and Moderna of stunningly effective vaccine trial results. This resulted in a remarkable end to the year, with the MSCI rising 12.8% in November alone and more than 17.6% over the final two months of the year.

This occurred despite a renewed spike in COVID-19 infections and a recurrence of the types of lockdown seen in the spring is all the more noteworthy – investors were clearly willing to ignore near-term complications, instead focusing on the potential for a return to normalcy sometime in 2021 and the potential for pent-up consumer demand, in conjunction with the amount of fiscal and monetary stimulus provided, to spark a dramatic recovery in real economic activity and corporate earnings.

Throughout these dramatic swings, one thing that has remained constant has been the strength in convertible demand. This manifested itself in two ways. In the secondary market, it meant that prices fell in an orderly fashion during the broader market collapse in March and subsequently recovered strongly throughout the balance of the year. Similarly, this demand was a principal reason that convertible bond issuance in 2020 was among the largest in history. Combined with a benign redemption cycle, this resulted in a dramatic growth of the asset class from $333bn in December 2019 to $508bn as of 31 December 2020. Moreover, this issuance was extremely diverse, coming not only from IT but also from highly cyclical sectors as well, meaning investors were able to profit not only from the strong performance in IT during the year, but also the second-half recovery of sectors such as travel and retail that were hit hard by COVID-19 and for whom convertibles were often used for emergency capital-raising during the lows. Both these factors explain why, despite the difficult backdrop, convertibles enjoyed some of their strongest returns in years during 2020.

Fund activity

The Fund began the year cautiously optimistic but with a mostly neutral portfolio. As always, the Fund entered the year with a focus on credit quality and strong business fundamentals, with similar weightings in each of our trade categories, gross exposure of approximately 200% and a slightly positive overall equity exposure.

However, as the scale of the COVID-19 outbreak in China began to become clear, we reduced risk aggressively. During March, we dropped our gross exposure to approximately 150% while reducing our equity exposure to approximately zero.

Despite these moves, the Fund still suffered a meaningful loss in March caused by the unprecedented cheapening in convertible markets during this period and the widening of credit spreads. However, the risk reduction we had undertaken nonetheless protected capital meaningfully and enabled the Fund to increase exposure once convertible pricing had reached sufficiently compelling levels.

The Fund began to deploy capital cautiously at the beginning of April, slowly taking our gross exposure up to a peak of 250% mid-month while maintaining only a modest net equity exposure. We maintained this level through much of May, owing to the exceptionally attractive valuations at which convertibles were trading. As valuations in the convertible market began to recover, the Fund then reduced risk to more normalised levels. From the middle of May through the end of the year, the Fund had gross exposures of approximately 180–200%.

The Fund's trading volumes were elevated throughout the year, driven both by the above noted changes and also by the exceptional level of primary issuance. The Fund has been active in investing in what we viewed as attractive issues, using these to replace less attractive risk/reward opportunities in the portfolio.

Despite these portfolio shifts, however, the Fund has generally not been running significant amounts of equity risk – indeed, since its inception two years ago, the Fund has only had 14 days in total in which equity exposures have been outside a range of +/- 20% of AuM. Rather, the Fund has been adhering to its principles of balancing equity risks and using convertibles (both long only and hedged to create synthetic puts) to provide asymmetric return potential in both directions. The primary means through which the Fund has been modulating its levels of risk have been by scaling its gross exposures up and down which, as noted above, was a very effective strategy.

This focus on risk/reward at both the position and portfolio level was the key component of the Fund's performance in 2020. Indeed, it is unsurprising that in what has been a strong year for equity markets the Fund's asymmetric positions (comprising most of our long-delta exposures) have returned 14.0%. What is surprising is that the Fund's put profile positions (comprising most short delta) have lost only 0.6%.

We are particularly pleased by this result. In particular, we believe the fact that the Fund could generate strong long-delta returns with such a small loss from the short-delta trades in a year such as this is testament to:

- Our ability to analyse risk/reward at the position level
- Our ability to manage risk at the portfolio level
- The robustness of the Fund's investment approach

In short, while this has undoubtedly been an exceptional year, we believe the granularity of our returns is cause for cautious optimism that the Fund can continue to deliver on its objective of producing excellent risk-adjusted returns with a c6% volatility of return, regardless of the investment landscape, in the years to come.

Market outlook

While there remains a noticeable divergence between the levels of asset prices and the health of the real economy, we remain very constructive about the potential for the asset class next year in both nominal and especially relative terms. In 2020, convertibles outperformed every major asset class. This outperformance was driven by a confluence of factors, some of them permanent and all of which we believe remain in place for 2021 – and it is this reality which underpins our cautious optimism. These factors are:

- **Asymmetry:** Being a fixed income instrument, convertibles have inherent loss-avoidance characteristics, though with less duration than most other corporate bond markets. This feature enabled convertibles to protect value so effectively during the COVID-19 market ructions of the spring. With macro volatility and market downside risks remaining elevated, we anticipate loss avoidance will remain a key driver of convertibles' performance at points in 2021.
- **Volatility:** Convertibles are the only major asset class to have a positive correlation to volatility so have been a direct beneficiary of the increased macro turbulence. With economic performance being buffeted by the cross-currents of COVID-19 disruptions, vaccines spurring normalisation, fiscal and monetary stimulus debates and the potential for late-cycle behaviour, we believe overall volatility will remain high in 2021.
- **Diversity and size of investor demand:** Low interest rates, high equity valuations and rising volatility make convertibles an attractive option for investors seeking improvements in their risk/reward characteristics regardless of their specific investor objectives. This drove supportive investor inflows during 2020 and, as these factors have not changed, we believe investor appetite will remain similarly strong and diverse in 2021.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Absolute Return Fund continued

Market outlook continued

- **Robust Issuance/size of the opportunity set:** Convertible primary markets had a record year in 2020, resulting in the growth of the asset class from $333bn in December 2019 to $508bn as of 31 December 2020. This is the largest amount of issuance since 2007, and consequently means the opportunity set is now as large as it has been in years. The drivers of this issuance (low interest rates, supportive equity valuations, elevated volatility, large amount of high-yield maturities) all remain in place, meaning we expect even further growth in the asset class and its opportunity set in 2021.
- **Diversity of issuance/breadth of the opportunity set:** Contrary to their reputation of being heavily weighted to technology, convertibles are a very well diversified asset class. Indeed, convertibles weightings to IT, healthcare, financials and industrials' sectors are essentially the same as those for the S&P 500. Moreover, this diversity increased in 2020 with issuance from cyclical sectors particularly noteworthy, resulting in convertibles having a considerably larger opportunity set in consumer discretionary than the market as a whole (convertibles 18% weight versus 12% for the S&P 500). As a result, convertible investors were able to benefit from the strong performance of growth in Q1 2020 and then a recovery in cyclical sectors in later quarters. Also, due to inevitable changes in market leadership next year, this diversity within the asset class should provide convertibles with the opportunity to perform well in 2021, regardless of the macro backdrop.

In summary, although we anticipate numerous periods where the investment landscape will be challenging in 2021, we believe convertibles will continue to benefit from the same perfect storm of strong and ongoing tailwinds to support valuations, demand, quality and diversity of issuance which resulted in 2020 being a historic year for the asset class. In short, we expect similar tailwinds in 2021 and so remain excited about the potential for the asset class to perform well in the context of broader market movements in the year to come.

Convertibles Team
Polar Capital LLP

January 2021

Global Convertible Fund

Fund performance

The Polar Capital Global Convertible Fund returned 27.9% (Class I US Dollar Accumulation) in 2020, taking its return since inception to 74.1% (Class I US Dollar Accumulation). In comparison, the Refintiv Global Focus Convertible Bond Index (in US Dollar terms) returned 25.4% and 55.1% for the same periods respectively.

Market review

Financial markets had an exceptionally volatile year in 2020. The year began on a strong note for risk assets on the back of solid underlying economic performance and positive earnings growth. By the middle of January, the S&P 500 was already up over 3.1% with the Eurostoxx600 only slightly behind, at 2.1%. However, the outbreak of COVID-19 caused a reversal of these gains.

Initially, losses were concentrated in emerging markets in general and Asia in particular, with the MSCI Emerging Markets Index and Hang Seng Index falling 4.7% and 6.7% respectively in January versus the S&P 500 closing the month roughly unchanged. However, as the pandemic and lockdowns spread globally, so too did the selloff in risk assets. Over the next two months global markets endured what was, on some measures, their most severe collapse since 1929. The MSCI World Equity Index plunged 34% in the five weeks through 23 March while credit spreads simultaneously widened dramatically as well (CDX North American High Yield Index widened from 280bp to 820bp over the same period). Losses were heaviest in cyclical and asset-heavy sectors such as travel, retail and auto manufacturers. This mirrored the significant declines in economically sensitive commodities (WTI oil:-13.2%; Iron ore:-10.3%).

Unsurprisingly, with investors concerned about the potential for lockdowns to cause a collapse in economic activity, interest rates plunged and there was a significant flight to safety as the 10-year US treasury yield fell from 160bp to all-time lows of 60bp. Similarly, market volatility rose with the VIX reaching its highest levels since 2009.

Initially, convertibles outperformed broader markets, helped by the relative strength of the US IT sector. However, as the contagion in risk assets spread, convertible prices eventually declined as well. It is noteworthy, however, that although convertibles did reach attractive levels there were no signs of forced selling nor investor distress. Rather, convertible markets remained orderly throughout which supports our oft-stated belief in the fundamental health of the investor base and the breadth of the demand for the asset class.

Eventually, the Federal Reserve released a statement indicating its willingness to use all tools at its disposal and act as necessary to support the economy, including buying corporate bonds. This was followed early in March by an emergency 50bp rate cut – only the eighth emergency inter-meeting Fed cut in the past 25 years (source: Deutsche Bank) as well as a massive $1.7trn expansion in the Fed's balance sheet in March alone.

These actions were followed by dramatic fiscal measures as well, such as the US CARES Act which totaled over 11% of GDP by itself. This resulted in the largest and most rapid increase in M2 in history, significantly eclipsing anything seen during the global financial crisis.

These policies were mirrored by other central banks and governments globally. In conjunction with dramatic expansions in fiscal support around the world as well as loan guarantees, payroll furlough programs and direct support to taxpayers, the policy response proved sufficient to backstop consumer spending in Q2 despite the unprecedented falls in employment and also to buttress investor sentiment.

This marked the lows for risk assets, setting the stage for one of the most dramatic risk rallies in market history. From the lows on 23 March, the MSCI World Equity Index rose 66.7% while the CDX North American HY Index tightened nearly 600bp from 870bp to 290.

The strength in markets was almost unidirectional through much of Q2 and Q3, pausing only in the late summer and September as questions arose about the potential for renewals of fiscal relief and as investor attention began to focus on the US presidential election. However, the election resulted in a seemingly benign outcome for investors and this occurred in near tandem with the announcements from Pfizer and Moderna of stunningly effective vaccine trial results. This resulted in a remarkable end to the year, with the MSCI rising 12.8% in November alone and more than 17.6% over the final two months of the year.

This occurred despite a renewed spike in COVID-19 infections and a recurrence of the types of lockdown seen in the spring is all the more noteworthy – investors were clearly willing to ignore near-term complications, instead focusing on the potential for a return to normalcy sometime in 2021 and the potential for pent-up consumer demand, in conjunction with the amount of fiscal and monetary stimulus provided, to spark a dramatic recovery in real economic activity and corporate earnings.

Throughout these dramatic swings, one thing that has remained constant has been the strength in convertible demand. This manifested itself in two ways. In the secondary market, it meant that prices fell in an orderly fashion during the broader market collapse in March and subsequently recovered strongly throughout the balance of the year. Similarly, this demand was a principal reason that convertible bond issuance in 2020 was among the largest in history. Combined with a benign redemption cycle, this resulted in a dramatic growth of the asset class from $333bn in December 2019 to $508bn as of 31 December 2020. Moreover, this issuance was extremely diverse, coming not only from IT but also from highly cyclical sectors as well, meaning investors were able to profit not only from the strong performance in IT during the year, but also the second-half recovery of sectors such as travel and retail that were hit hard by COVID-19 and for whom convertibles were often used for emergency capital-raising during the lows. Both these factors explain why, despite the difficult backdrop, convertibles enjoyed some of their strongest returns in years during 2020.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Convertible Fund continued

Fund activity

The Fund began 2020 cautiously optimistic but with a mostly neutral portfolio. As always, the Fund entered the year with a focus on credit quality and strong business fundamentals, reflected by its average portfolio rating of BBB-. However, as the scale of the COVID-19 outbreak in China began to become clear, we increased our scrutiny of the portfolio's credit quality, with a greater focus on liquidity.

In particular, the Fund undertook a review – first in Asia and then globally – of the ability of the portfolio to withstand rapid and severe business interruptions without imperiling their ability to fund operations or ensure stability as a going concern. We stressed each investment for its ability to fund all financial obligations out of existing cash and near-cash resources even in the event all other liquidity sources became unavailable. Following this review and our subsequent trading, 84% of the Fund's investments met these criteria. This quality was of sufficient assistance during the significant downturn in March as the Fund did not need to remediate any problematic positions, thus maintaining as much liquidity and investment flexibility as possible.

We used this flexibility to initially raise cash to meet any redemptions we feared may occur. The Fund raised over $40m (5%) in cash pre-emptively in this regard. However, as no sizeable redemptions occurred, the Fund was then in the advantageous position of being able to deploy capital opportunistically at attractive pricing.

We began by buying stable, high-quality credits at surplus yields (including some quasi-sovereign A-rated paper at 8% and higher yields) and then cautiously increased our delta exposure and rebalanced the portfolio.

We were assisted in this effort by the levels and diversity of primary market activity noted above. We initially focused our purchases on issuers who we regard as COVID-19 beneficiaries. This included companies such as 2U – a provider of online, remote learning tools for schools. However, later in Q2 and early Q3, the Fund began to increase positioning in 'green power' and highly ESG-rated companies, anticipating a strong Democratic showing in the US elections would increase the already strong interest in this sector, especially in the case where a Green New Deal began to appear more likely. This included companies such as Plug Power, SolarEdge, Maxeon, and Iberdrola – all of which were among our larger positive contributors during the year.

As the investments in the 'green' trade moved into higher-delta/higher-parity profiles during October and November, the Fund began to take profits on these. With the proceeds, the Fund rotated into more highly cyclical companies that stood to benefit from a resumption in normal economic life – this included retailers (such as Burlington Stores), airlines (such as Southwest Air, American Airlines, Lufthansa, and Singapore Air), general travel and cruise lines (Amadeus, Dufry, Flight Centre), and consumer discretionary companies (LYFT, Cinemark). The rationale behind this was that, despite the rising numbers of COVID-19 cases at the time, the forthcoming vaccine data would – if positive – cause investors to look through the current weakness to a presumed resurgence in demand for such companies' services in 2021. As they had not rallied in tandem with the broader market and remained at depressed valuations, we believed these investments thus offered interesting risk/reward.

The release of strikingly positive data from both Pfizer and Moderna led to the rally we had anticipated, with shares in companies in the above sectors rising sharply. We held onto our positions throughout November but took some profits in December. Additionally, given the significant market cross-currents through the year, the Fund has been uncomfortable taking significant over or underweight positioning in terms of aggregate, sector and geographical exposures – the above thematic exceptions notwithstanding.

The principal exception to this has been that the Fund hedged a meaningful portion of its credit exposure for most of Q2 and Q3 by purchasing protection on the CDX North American High Yield Index. The rationale was that we felt this was the most advantageous way to protect investor capital from the outsized downside gaps we were worried about as it did not sacrifice our ability to participate in the policy-driven upside equity potential we were also aware existed. Although the hedge was a headwind to performance, we believe it satisfied the purpose for which we put it on. As we have become more comfortable that the worst-case economic scenario is unlikely, the Fund has exited this hedge, though we may re-hedge some exposures in 2021 should conditions warrant.

Finally, despite all this activity, the Fund's credit quality remained broadly unchanged (BB+/BBB-) and has also been able to meet its 1% per quarter yield distribution target.

Market outlook

While there remains a noticeable divergence between the levels of asset prices and the health of the real economy, we remain very constructive about the potential for the asset class next year in both nominal and especially relative terms.

In 2020, convertibles outperformed every major asset class. This outperformance was driven by a confluence of factors, some of them permanent and all of which we believe remain in place for 2021 – and it is this reality which underpins our cautious optimism. These factors are:

- **Asymmetry:** Being a fixed income instrument, convertibles have inherent loss-avoidance characteristics, though with less duration than most other corporate bond markets. This feature enabled convertibles to protect value so effectively during the COVID-19 market ructions of the spring. With macro volatility and market downside risks remaining elevated, we anticipate loss avoidance will remain a key driver of convertibles' performance at points in 2021.
- **Volatility:** Convertibles are the only major asset class to have a positive correlation to volatility so have been a direct beneficiary of the increased macro turbulence. With economic performance being buffeted by the cross-currents of COVID-19 disruptions, vaccines spurring normalisation, fiscal and monetary stimulus debates and the potential for late-cycle behaviour, we believe overall volatility will remain high in 2021.
- **Diversity and size of investor demand:** Low interest rates, high equity valuations and rising volatility make convertibles an attractive option for investors seeking improvements in their risk/reward characteristics regardless of their specific investor objectives. This drove supportive investor inflows during 2020 and, as these factors have not changed, we believe investor appetite will remain similarly strong and diverse in 2021.
- **Robust Issuance/size of the opportunity set:** Convertible primary markets had a record year in 2020, resulting in the growth of the asset class from $333bn in December 2019 to $508bn as of 31 December 2020. This is the largest amount of issuance since 2007, and consequently means the opportunity set is now as large as it has been in years. The drivers of this issuance (low interest rates, supportive equity valuations, elevated volatility, large amount of high-yield maturities) all remain in place, meaning we expect even further growth in the asset class and its opportunity set in 2021.
- **Diversity of issuance/breadth of the opportunity set:** Contrary to their reputation of being heavily weighted to technology, convertibles are a very well diversified asset class. Indeed, convertibles weightings to IT, healthcare, financials and industrials' sectors are essentially the same as those for the S&P 500. Moreover, this diversity increased in 2020 with issuance from cyclical sectors particularly noteworthy, resulting in convertibles having a considerably larger opportunity set in consumer discretionary than the market as a whole (convertibles 18% weight versus 12% for the S&P 500). As a result, convertible investors were able to benefit from the strong performance of growth in Q1 2020 and then a recovery in cyclical sectors in later quarters. Also, due to inevitable changes in market leadership next year, this diversity within the asset class should provide convertibles with the opportunity to perform well in 2021, regardless of the macro backdrop.

In summary, although we anticipate numerous periods where the investment landscape will be challenging in 2021, we believe convertibles will continue to benefit from the same perfect storm of strong and ongoing tailwinds to support valuations, demand, quality and diversity of issuance which resulted in 2020 being a historic year for the asset class. In short, we expect similar tailwinds in 2021 and so remain excited about the potential for the asset class to perform well in the context of broader market movements in the year to come.

Convertibles Team

Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Insurance Fund

Fund performance

In 2020, GBP R Class (Acc) shares of the Fund returned -6.1% versus -4.2% for the MSCI World Insurance Index benchmark, -4.2% for the MSCI World (both net total return GBP), 12.6% for the FTSE All Share and 15% for the S&P 500 (both total return GBP).

We were disappointed by the Fund's underperformance in 2020 versus broader equity markets especially given the good operational performance of our companies in growing book value per share in such a challenging year. The COVID-19 crisis has reminded society of the folly of undervaluing resilience and ignoring the systematic risk of events that many previously thought of as remote. The insurance industry, with risk management at its core, has an even more important role to play going forwards. Society is beginning to place more value on sustainability and as such there is a significant opportunity in the coming years for insurers as the focus moves on from pandemic risk to broader issues such as climate change.

We entered 2020 expecting book values to grow double digit for the year with better underwriting margins offsetting modestly lower investment returns. While we will not know the final outcome for 2020 until the year-end results are published, our expectation is that our companies grew book values by c4% in the fourth quarter making c8% for the year. COVID-19 losses, which mostly impacted second quarter 2020 results, cost around 2% of book value growth, while lower investment income in the second half of the year caused a drag of another 1–2%. Natural catastrophe frequency was marginally above normal expectations and the average of the past 10 years, although our prudent catastrophe weighting meant the portfolio was not materially impacted. The Fund was down c6% in 2020, or down c4% on a constant FX basis given the strength of sterling versus the US dollar, particularly in December. This 4% decline is comprised of c8% book value growth offset by a c12% derating as the US industry price to book multiple fell from c150% to c130% during 2020.

This September will see our third decade with the Fund. Over the years we have seen periods like this before where stock price changes do not match up with how our company fundamentals are performing and their positive outlook. In the end, what drives the Fund performance is our companies' ability to compound book value per share and dividends at an attractive rate over time. It is this metric that remains the focus of our investment process.

Market review

The word 'unprecedented' may be one of the most used words to describe 2020 but in many respects it is an apt description for what the insurance industry endured last year. The North Atlantic US hurricane season had a record 30 storms, 13 of which reached hurricane status. A further 12 tropical cyclones made landfall in a single season, another record. Wildfires raged again across the western US and in Australia earlier in the year. The affected area in California was over four times larger than the 2015–19 average. 2020 looks to have been the second warmest year on record.

Munich Re estimate that worldwide natural disasters produced losses of $210bn of which $82bn was insured. That makes 2020 a rather normal year as we typically expect $85–90bn of insured catastrophe losses annually – but then there was COVID-19. The consequences of COVID-19 are wide ranging and often complex (especially with regards to business interruption (BI) insurance) and as such we would refer readers to our monthly commentaries and other ad hoc investor communications on our website. What follows is a summary of some of the key issues.

While it is true COVID-19 has caused insured losses in many lines of business, importantly insurers routinely exclude pandemics from policy wordings as, unlike hurricanes or earthquakes, they are not limited by geography or time making them difficult to insure. In a minority of cases insurers offer affirmative cover for pandemic events for which they receive a premium and losses are likely to have been paid. These broad market exclusions were introduced in the US, where most of our underwriting exposure lies, after the Asian SARS outbreak in 2002. They are understood by buyers and approved by regulators. Our preliminary assessment in April suggested COVID-19 would likely become the largest insured loss in history surpassing the c$50bn from 2005's Hurricane Katrina. Our analysis suggested a base case of $60–70bn of losses which, while a large number, should also be seen in the context of it representing just c2% of global property and casualty insurance industry capital. Hence our view was that COVID-19 would be a manageable earnings event for the industry.

Eight months on that initial assessment has proved robust and our current expectations are that industry COVID-19 losses will now come below the lower end of our initial $60–70bn base case estimate. It is important to remember that this number excludes any positive claims experience because of lockdowns and general reduced economic activity. A lower frequency of car accidents is an obvious example, as driving activity typically halved during government-imposed lockdowns in major cities. Many insurers have shared this benefit with their customers through premium rebates, particularly in the US and Canada where we have most of our auto insurance exposure. However, there has also been a fall in claims activity generally, particularly in casualty lines. Many companies have yet to recognise this lower claim experience during 2020 in their financial results and consequently we expect material favourable reserve development from this to benefit future earnings. As we write we are sadly seeing many countries needing to reinstate various forms of lockdown measures and we discuss the implications of a second wave further below.

When we looked at pricing across the (re)insurance value chain at the start of 2020 what we saw was a U-shape with primary insurance and retrocession (the reinsurance bought by reinsurers) rates showing the strongest rises and much more modest changes happening for the reinsurers in the middle despite the elevated catastrophe activity of 2017–19. The onset of COVID-19 accelerated the rate rises across all lines of business and notably pushed reinsurance into a 'hard' market. Risk globally is being re-evaluated and repriced.

Insurance broker Marsh publishes a quarterly Global Insurance Market Index. In 2019 rate rises progressively rose from 3% in 1Q19, ending 2019 at 11%. Pricing accelerated throughout 2020 with the most recent increase being 20% in 3Q20 compared with 19% in 2Q20 and 14% in 1Q20. This is the greatest increase since the survey begun. Importantly we are now getting 'rate on rate', with 3Q20's +20% building on the +8% reported in 3Q19.

The significant upturn in catastrophe reinsurance pricing started with the Japan renewals on 1 April which saw wind rates up c30%. This was followed by the Florida renewals on 1 June rising 25–45%. The recent 1 January 2021 reinsurance renewals were positive with catastrophe pricing 5–10%, the highest increase we have seen in more than a decade. Rate increases varied by geography, with loss-free US accounts averaging a c10% rise (loss affected notably more) and European and Asian renewals rising in the low/mid-single-digit range. Dislocation continues in the retrocession market with rates +10–15% which follows three consecutive years of 20%+ rises. We expect further double-digit increases for Japan and US/Florida accounts later this year on 1 April and 1 June respectively.

We view current conditions as the best underwriting market we have seen for at least a decade. Investment returns today provide no safety net for poor underwriting. The non-life insurance market has always, in the aggregate, produced poor returns as it is an industry populated by mostly mediocre underwriters. It is these companies that need to take disproportionate pricing action to improve returns and this provides significant opportunity for the best-in-class minority, where we invest, who kept their powder dry during more testing times. These required actions for certain parts of the industry are not typically a quick fix or something that can be addressed with more capital. These companies need higher returns both for the business they write today and to compensate for the poor underwriting of recent years. That is why we believe the current strong underwriting market has longevity.

Fund activity

The Fund still has a low turnover, and we did not change our overall positioning materially during the period although we looked to capitalise on market volatility, particularly in March and April, adding and trimming positions where appropriate. In March we switched our holding in Ping An Insurance into Prudential Plc which is now predominantly an Asian life insurer following the demerger of its UK business. The Fund also sold positions in Heritage and Brown & Brown at this time.

In the second half of the year the Fund exited Hastings Group Holdings after a cash acquisition from a joint bid from RMI (a South African investment company) and Sampo Group (a Scandinavian insurer also owned by the Fund) at a 47% premium to Hasting's share price before the announcement of a potential offer. We bought new holdings in Beazley, a Lloyd's of London-centric specialty insurer, and Helios Underwriting, which owns a portfolio of underwriting capacity of quality Lloyd's syndicates.

Market outlook

We came into 2020 believing the earnings power of our companies should deliver 10%+ annual book value growth. Given the onset of COVID-19 and the consequent further reduction in prospective investment returns (essentially from the low risk 2–3 years duration bond portfolios our companies invest in) we lowered our expectations to 9–10% in March. We have since had three reporting quarters of accelerating (re)insurance price rises, strong growth and improving underlying underwriting margins for our companies. We expect strong underwriting returns for the foreseeable future and consequently we have revised our prospective book value growth assumption back to 10%+.

With the COVID-19 pandemic still ongoing it is challenging to anticipate the extent of future insurance losses. However, second wave COVID-19 losses are likely to be materially lower than the first wave. Consider two significant contributors to our current COVID-19 industry loss estimate, namely event cancellation and BI losses. Event cancellation insurance has been largely unavailable since March so there are limited events on risk beyond the first quarter of 2021. Regarding BI, over three quarters of policies that were previously potentially exposed to pandemic losses would now have been renewed on tighter policy wordings with communicable disease exclusions. As noted above, US policies have had robust language excluding pandemics in place since SARS almost 20 years ago. It is in markets like the UK and to a lesser extent Europe where policy wordings have needed to be adjusted and these are markets where the portfolio has limited exposure.

The US non-life industry ended 2020 at c130% price to book which remains below historical averages despite, in our view, having the best underwriting market conditions for many years. Given where many other sectors are trading today, we think the relative attractiveness is even greater. Our conservative expected trajectory of book value growth of 10%+ gives a cash-on-cash return of c9% (defined as book value growth divided by price to book multiple). In a world of negligible investment returns we find this compelling.

Financials Team

Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Technology Fund

Fund performance

The Fund's NAV increased by 57.7% during the year (Class A US Dollar Distribution Share Class), 11.8% ahead of its benchmark, the Dow Jones Global Technology Net Total Return, at 45.9%. All returns are in US Dollar terms unless otherwise stated.

All major technology subsectors performed strongly in 2020, as they mapped well to both the lockdown and 'new normal' environments brought about by the COVID-19 crisis. The NASDAQ Internet Index returned 62.2%, the Philadelphia Semiconductors Index (SOX) returned 53.7%, and the Bloomberg Americas Software Index returned 45.1%. That said, it was clearly a year of two distinct halves. During the first half of 2020, supply chains were disrupted by COVID-19 lockdowns and US/China trade tensions provided a meaningful overhang, with the SOX up 8.9% and software stocks leading the way. In the second half, the leadership baton was passed to more cyclical stocks as US elections and vaccine approvals allowed investors to focus on the prospects for a global economic recovery in 2021, despite then enduring the second wave of the pandemic.

Unsurprisingly, larger technology companies recovered more rapidly. The large-cap Russell 1000 Technology Index returned 15.8% in the first half of the year versus the small-cap Russell 2000 Technology Index's -0.45% return. However, smaller caps almost caught up during the second half as market breadth increased amid recovery optimism. The Russell 2000 Technology index finished +42.8% for the year, just shy of the +46.7% delivered by the Russell 1000 Technology index.

2020 was a strong year for the Fund for a multitude of factors. Our underlying growth-centric investment style and focus on companies with strong balance sheets proved critical. The majority of our eight core themes mapped well to the so-called 'new normal' with consumers and businesses alike having to accelerate their digital transformation initiatives to work, live and educate from home. We moved early towards beneficiaries and away from potential losers; much as now we are moving early towards some of the recovery plays in areas such as electric/hybrid vehicles, batteries, robotics/industrials and 5G at the expense of large-cap internet/social media facing near-term headwinds.

While we felt some frustration during the year that we were effectively priced out of the highest-growth assets in the software and internet spaces, we were pleased with our overall strong performance against our benchmark and top-quartile performance versus our peers, which was delivered without taking on, in our view, excessive stock-specific or valuation-multiple risk.

For the full year, the top contributors to the Fund's relative performance versus its benchmark were Peloton, Advanced Micro Devices (AMD), Crowdstrike, Intel (u/w) and PayPal. The largest detractors to relative performance were cash, Shopify (u/w), FLIR, Apple (u/w) and Visa. FLIR is encouragingly now subject to a takeover offer so had a strong start to 2021.

The main driver of the Fund's relative outperformance in 2020 was strong stock selection across the major technology subsectors, especially software, internet and semiconductors, although in most cases (especially internet and software) larger stocks underperformed relative to their smaller, higher growth peers. In software, there were strong contributions from positions in cloud cybersecurity leader Crowdstrike (324.7%), cloud network security player Cloudflare (345.4%) and Communications Platform as a Service (CPaaS) leader Twilio (244.4%). Smaller positions in HubSpot (150.1%), Zendesk (85.8%), Everbridge (90.9%) and RingCentral (124.7%) also contributed to outperformance.

Advanced Micro Devices (AMD) was once again our largest relative contributor in the semiconductors sector, returning 99.9% during the year, while a large underweight position in Intel (-16.8%) also contributed alongside Mediatek (79.3%) and Lattice (139.4%). Within the internet sector, Amazon (76.3%) was our biggest contributor to relative performance, followed by Pinterest (253.5%), Spotify (110.4%), Snap (206.6%), and our underweight position in Alphabet (30%).

Our underweight position in Shopify (183.0%) – a position we subsequently sold completely – was our biggest negative relative contributor during the year. We also enjoyed some success in areas adjacent to the traditional technology space including payments and clean tech/EVs. Home connected fitness leader Peloton (434.2%) proved our biggest single contributor to relative outperformance. PayPal (116.5%) was a top five relative contributor, although Visa (16.4%) and Mastercard (19.5%) lagged, and there were strong contributions from smaller positions in green tech/EV companies SolarEdge (235.6%), Tesla (743.4%) and BYD (425.4%).

Our cash position was the largest drag on performance given the Fund's strong return. In part this was thanks to our more conservative stance due to elevated valuations during the second half of the year, but some cash was held to offset the delta-adjusted exposure from our single-stock call options (cash is held to avoid any leverage). The strategic use of options is a differentiating feature of our Fund versus many competitors and an overlay we have used for more than three years for the purpose of efficient portfolio management (reducing relative risk/volatility that comes with our growth-centric investment style).

It is important to note the Fund typically has significantly less than 2% of NAV invested in option premium, and this will not protect absolute returns in the event of a market correction. Use of options within the Fund is firmly limited to relative or absolute risk reduction versus the benchmark or compared to cash equity alternatives, and we only ever purchase exchange-traded options (we do not write/sell options, or utilise more complex strategies) so the maximum risk/loss is the option premium invested.

The Fund utilises out of the money (OTM) call options to augment or replace equity positions in some of the largest index constituents, such as Microsoft, Apple and Alphabet. In aggregate, these call options were a material contributor, adding 311bps, to relative outperformance during the year.

The Fund also makes use of deep OTM NASDAQ Index put options to soften the downside beta of the Fund in the event of sharp market drawdowns. In aggregate, these dragged on performance by -40bps but were extremely effective during the market rout in March, returning 75bps relative performance during the month and reducing the Fund's drawdown versus other growth-centric technology peers.

Performance relative to peers

The Fund ranked in the first quartile in the IMA technology and Lipper telecom peer group, and is also ranked first quartile over three, five, seven and 10-year time periods. The Fund retained its Morningstar 5 Star/Silver rating and the team is Citywire AA-rated.

It is critical to understand that this is a specialist product, with an active and growth-centric investment style, and our portfolio is likely to deviate significantly from the benchmark (active exposure typically 50–65%). However, our experience of previous cycles has taught us not to aim to be the best performing fund in any specific year, because of the significant extra portfolio concentration and risk/volatility this entails. Instead, we aim to compound strong annual returns and outperform our peers and benchmark on a risk-adjusted basis over the medium to longer term. There will be periods when growth is out of favour, and during these times Fund performance can suffer – because our long-held belief is that growth investing in technology wins out over value – and the strong underlying revenue and cashflow growth of our holdings should be the primary driver of the Fund's performance.

The Fund's AuM increased significantly during the year, from $3.65bn to $8.65bn. Net inflows for the year were c$2.2bn, so most of the increase in AuM was driven by the performance of the Fund. We have not actively marketed the Fund for some time and in July we took the decision to soft-close. Our principal objective was to ensure existing clients have ample capacity to add to their positions, but we also want to maintain a cap on the number of clients we are servicing and to ensure we can stay nimble at a time of rapid change and innovation.

The appeal of technology stocks has increased as COVID-19 has accelerated adoption of many of our core themes by many years, and against this backdrop we anticipate continued investor interest in the sector. Nothing has changed for existing investors. We have not reached our maximum capacity and the portfolio enjoys a very strong liquidity profile at the current AuM level. At this time, we can liquidate c94% of the portfolio in five days, assuming we are 30% of daily volume based on the previous 60 days' average daily volume.

From an investment perspective, soft closing the Fund should ensure that we retain full investment flexibility in the portfolio, allowing us to continue to meet our investment objectives and to focus on delivering future returns for our investors.

Market review

The MSCI All Country World Index returned 16.3% in 2020 following a 26.6% return in 2019. The S&P 500 Index closed at a record high, having returned 18.4% (after returning 31.5% in 2019, its best year since 2013). Strong equity market returns belie the extraordinary and tragic events of the year, as well as the underlying market volatility. 2020 saw 28 daily S&P 500 moves of more than 3% up or down, which was more than the previous nine years combined.

The first six weeks of 2020 saw global equity markets make new highs, supported by stimulus efforts from the world's central banks in the latter half of 2019 and the perceived amelioration of some geopolitical risks, including US/China trade wars and uncertainty around Brexit. News of a coronavirus outbreak in Wuhan initially had limited impact on global markets with early concerns focused more on supply chain disruption than the potential for virus proliferation. It soon became apparent that the coronavirus had spread to more than 60 countries and, in late February, the World Health Organisation (WHO) declared a global health emergency. Governments across the world began to introduce measures designed to reduce contact and mortality rates, strict travel restrictions were imposed, and non-essential economic activity was curtailed, resulting in an almost unprecedented contraction in global GDP.

The shift in markets was similarly dramatic. From February highs, it took just 16 days for the S&P 500 to lose more than 20%, in US Dollar terms, the quickest descent into a bear market on record. The selloff from January/February peaks to the March lows was violent across market indices as the MSCI World Index fell -33.7%, the S&P 500 Index 33.9%, NASDAQ -28.0%, and Russell 2000 -41.9%. Having begun 2020 at 13.8, the VIX index (a market fear gauge which measures implied volatility on the S&P 500) surged to 82.7 in mid-March. The oil price plunged -47% in March following a breakdown in talks between Saudi Arabia and Russia, followed by an exhaustion of storage capacity with the May WTI crude oil contracting to a negative price for the first time in history, reaching a low of -$37.60 per barrel. The US unemployment rate reached 14.7% in April.

The impact of lockdowns, social distancing, school closures and panic buying were not enough to keep global equity markets down for long, however, as policymakers responded quickly and aggressively. The scale of fiscal and monetary support has been staggering. Between February and December 2020 governments around the world announced fiscal stimulus packages potentially worth $15.9trn, or 18.4% of global GDP. The US CARES Act passed at the end of March provided $2.2trn in direct fiscal support for the economy in the form of recovery rebates ($1,200 per individual), enhanced unemployment benefits, $377bn in loans and grants to small businesses and $330bn in direct support to State and Local governments. The Fed was also permitted to buy primary or secondary market loans of corporations or municipalities.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Technology Fund continued

Market review continued

In Europe, EU leaders agreed on a €1.8trn fiscal stimulus package including a €750bn post-pandemic recovery Next Generation EU fund (NGEU), which marked the first time the EU has issued common debt. Just as significant as the fiscal response was the commitment of global central banks to provide sufficient liquidity, as they offered an aggregate potential liquidity injection of $12.6trn, or 14.5% of global GDP. Central bankers' unwavering commitment to providing enough support was as significant as the scale of support itself and kept sovereign bond yields relatively stable at historically low levels.

At the June FOMC press conference Chair Jerome Powell was unequivocal: "We're not thinking about raising rates. We're not even thinking about thinking about raising rates." The US 10-year bond yield reached an historic low of 51bps on 4 August and credit markets managed to function well throughout the period. The Fed also announced a well-signaled policy shift to (more dovish) average inflation targeting. Under the new framework, the Fed will allow inflation to run moderately above the Fed's 2% goal 'for some time' following periods when it has run below that objective.

These policy actions supported a robust rebound in global equity markets from their March lows, led by the technology sector which proved extremely adept in allowing the world to continue to operate effectively from a stay-at-home footing. During the summer, US and European economic data bounced back strongly from very depressed levels as the recoveries in output (GDP), the labour market and sentiment indices surprised to the upside. The US reading for the Citi Economic Surprise Index entered June at -55 and exited the month at 180, which was the strongest reading in history and well ahead of the previous peak of 75 in December 2017. In response to the strong economic data and Q2 results that were generally ahead of expectations, the S&P 500 set record highs in August, posting its strongest August return for 34 years. The concentration of the index also reached a higher level than any time in the past 40 years with 25% of the S&P 500 market cap accounted for by the five largest US companies – Apple, Microsoft, Amazon, Facebook and Alphabet (Google).

After a strong summer, global equity markets pulled back in September and the S&P 500 declined for four straight weeks as sentiment was restrained by increasing COVID-19 cases and deaths in Western Europe, the ongoing impasse in Washington over the next round of fiscal stimulus and fraying US/China relations. The US presidential election campaigns took place against a backdrop still dominated by COVID-19, and Democrat Joe Biden's odds improved steadily over the period, but the final result proved closer than many polls were predicting and the possibility of a Democratic landslide did not materialise.

Investor attention rapidly turned to the strong efficacy of COVID-19 vaccines following strong Phase 3 data from Pfizer and Moderna's vaccine candidates. Value, cyclical and small-cap stocks led the market higher. The move from momentum into value on the day of the Pfizer news represented a 10 standard deviation event, according to JP Morgan.

The equal-weighted S&P 500 outperformed its market-cap-weighted peer by 300bps on the day, the highest dispersion ever recorded. This violent rotation reflected both the unexpectedly high degree of efficacy for Pfizer's vaccine (>90% versus >50% required for FDA emergency use authorization) and the stretched positioning of investors following a strong growth bounce post-election. November saw the small-cap Russell 2000 Index return 18.4% (its best calendar month return in history), while the large-cap Russell 1000 Index increased 11.8%.

The second half of the year saw a broadening of market strength, with strength in areas that had lagged during the COVID-19 crisis such as smaller-cap companies and more cyclical sectors. The Russell 2000 Index returned 38% from the end of June versus the S&P 500's 21% return, and the top three performing sectors were Industrials (29%), materials (28%) and financials (27%). The dollar also dropped 7.6% in the second half of the year, closing the year at its lowest level since April 2018, helping the MSCI Emerging Market Index gain 30% as investors anticipated a stronger global macroeconomic backdrop. From March lows, the MSCI World, S&P 500, NASDAQ and Russell 2000 rallied 62.9%, 61.9%, 87.3%, and 99.2% respectively.

Strength into the calendar year end was presaged by positive rhetoric on the US fiscal stimulus and a Brexit resolution, both of which were resolved in the closing stages of 2020. The US election result in November – albeit challenged until the bitter end by President Trump – was also perceived as a significant positive for markets because a Biden/Harris/Democrat win increases the likelihood of further stimulus in 2021. At the time of writing in January, the Democratic Party have narrowly achieved control of the Senate in the Georgia run-off elections (because no candidate achieved 50% of the votes in round one), giving them control of both the Senate and the House of Representatives thereby reducing the risk of political gridlock.

The most significant impetus for the broadening risk-on environment was growing expectations of mass vaccination programmes across the world and the hope this brings for a return to more normal life later in 2021. The UK became the first country to approve the Pfizer/BioNTech COVID-19 vaccine in early December, shortly followed by approvals in both the US and EU. Two further vaccines received their first emergency use approvals in December (Moderna by the US, Oxford-AstraZeneca by the UK) while both China and Russia approved their own domestically developed options. The pace of vaccination is now going to be critical across the globe and the Oxford vaccine which is easier to distribute will be a key enabler. Vaccination rates per 1,000 people will become a closely watched metric. The US is at 15 per 1,000 while Germany is at four and China at three (Israel is at 158). It is hoped that the improvement in this number accelerates over the coming weeks/months as currently less than 2% of the US population have been vaccinated while most other countries sit at less than 1%.

Late December also saw two other significant deals completed. The signing of a Brexit trade deal between the UK and the EU, four and a half years after the June 2016 EU referendum vote, narrowly avoided the additional disruption of a no-deal outcome. Likewise, after months of negotiations, the $900bn US Fiscal Stimulus Bill was approved, making it the second-largest economic relief bill in US history. The package includes a new round of direct payments of up to $600 per week for US adults and $300bn in small-business relief. Despite last-minute attempts by President Trump and Democrats to amend the Bill to increase the direct payments to $2,000 (increasing the cost of the stimulus bill by $464bn) the increase was blocked by the Republican-controlled Senate.

We would be remiss if we did not mention the sharp increase in retail investor participation which is of growing concern to us. This appears to be having a distorting effect on individual stocks, as well as via exceptionally strong inflows into narrow and/or aggressively positioned ETFs. According to BoA, retail trading is running at double its historic volume while c6% of all US equity trades in 2020 were in Tesla alone. We have seen record buying of single-stock call options, while the price of Bitcoin has more than tripled presaging an FCA warning that investors could lose all their money. While we continue to believe the current cycle is not a repeat performance of the dot.com bubble, elevated valuations and pockets of exuberance leave little room for manoeuvre should the investment backdrop become less favourable which is why we continue to tread relatively cautiously, happy to participate in future gains but with a more balanced and liquid portfolio, some cash and deep out of the money puts.

Technology review

The technology sector demonstrated clear leadership once again in 2020. The Dow Jones Global Technology Index returned 45.9% in 2020 following a strong 44.2% return in 2019. The sector's outperformance was driven by the COVID-19 crisis and its acceleration of myriad technological trends which have been in force for many years, and investor (both institutional and retail) willingness to pay higher multiples for growth assets in a low-rate, low-return world.

Market concentration was a notable feature of the technology sector throughout the year. The seven largest US tech companies added a combined $3.4trn in market capitalization as Apple gained c$1trn (to surpass $2trn in total), Amazon $710bn, Microsoft $480bn, Alphabet $270bn and Facebook $200bn. Regulatory scrutiny of the major platforms intensified over the year and culminated in Federal Trade Commission (FTC) v Facebook and Department of Justice (DoJ) v Alphabet lawsuits, which represent the most significant regulatory actions against Big Tech since DoJ v Microsoft in the 1990s.

We remain hopeful that worst-case outcomes will be avoided, given that alternative social media platforms (Snap, Twitter* and TikTok*) have experienced strong user growth, while Apple's iMessage is the leading messaging platform in the US, not WhatsApp. Apple was also the subject of controversy as Epic Games (Fortnite) brought an antitrust suit as part of a well-orchestrated dispute over App Store fees. We remain materially underweight most of these stocks, but many have compelling valuations and solid growth prospects so we still see the potential for solid investment returns.

The heightened scrutiny was not limited to the US, however, as Ant Financial was forced to suspend its November IPO following a last-minute regulatory change which indicated that Ant would need to bring its credit tech business into the financial regulatory framework and set up a financial holding company (which would significantly increase the capital requirement and reduce both the growth and returns of the business). The Chinese State Administration for Market Regulation also issued draft guidelines on anti-monopoly rules shortly afterwards. We reduced our exposure to Alibaba, due to mounting pressure from legislators both at home and abroad, but again see the stock as attractively valued with solid fundamentals so retain a position.

The geopolitical significance of internet platforms certainly came to the fore during 2020 as President Trump issued an executive order forcing ByteDance* to sell or spin off its US TikTok business and another intended to prohibit transactions related to Tencent's WeChat service in the US. Such policies are perhaps best seen as a further extension of the bifurcation of the global technology supply chains between a Chinese sphere of influence and a Western sphere of influence and reflect the fact that TikTok is the first Chinese internet company to scale globally in a similar way that Huawei was the first global tech hardware company from China.

Internet

Internet was the standout sector in a strong 2020 field, as the NASDAQ Internet Index returned 62.2%. The e-commerce sector was an early beneficiary of government stay-at-home orders as many consumers were forced to move a huge portion of their spending online.

The US Census Bureau reported that US retail e-commerce sales grew 32% y/y through the third quarter of 2020, a striking acceleration from the 13–15% consistent y/y growth since 2013, reaching 14% of total retail sales (double 2015's penetration rate of 7%). Much of this growth represented a genuine expansion of the e-commerce Total Available Market (TAM), as 21% of UK shoppers shopped online for the first time, and PayPal added more users in the second quarter of 2020 than they had in the entirety of 2016.

* not held

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Technology Fund continued

Internet continued

Perhaps more surprising was the extent to which spending remained online, even as offline consumption opportunities re-emerged during the summer, as July and August payment volume data from Visa indicated that US e-commerce volume growth remained at a +30% y/y level through this period. It was notable that the NASDAQ internet Index posted stronger returns in the second half of the year (+29.2%) than the first (+24.5%), despite ongoing investor concerns around mean reversion and uncertainty around internet companies' ability to maintain high growth in 2021 as they lap strong 2020 numbers achieved under lockdown conditions in 2021. Amazon returned 76.3% during the year due to its broad exposure to accelerating e-commerce trends and solid AWS performance, although incremental COVID-19-related costs weighed on margins in the near term.

Online advertising saw a similar dynamic as companies still needed to find customers in an online-dominated world. Facebook's (+33.1%) advertising revenues held up well, growing 10% y/y in Q2 and 20% y/y in Q3, as a pause in some macro-sensitive advertising was offset by strong direct response spending among Facebook's 10 million advertisers. Alphabet (+30.9%) held up less well given higher (10–15%) exposure to the travel vertical and saw revenue growth turn negative in Q2. The most significant dynamic in the internet advertising space during the year was the rise of the historically second tier social platforms such as Snap (+206.6%) and Pinterest (+253.5%), which saw material acceleration in both user growth and monetisation.

Facebook and Alphabet ultimately both delivered solid returns but the intensifying regulatory environment surrounding Big Tech discussed above remains an overhang on the stocks. In the case of Alphabet, Apple and Microsoft we hold OTM call options to minimise the headwinds to our relative performance if they perform strongly in 2021 given their solid fundamentals and undemanding valuations.

Fortunately, the Fund does not hold Twitter* which found itself in the eye of the storm in early 2021 having controversially removed President Trump's account following the storming of the Capitol Building by Trump supporters. While many might support Twitter's decision, it was an untimely reminder of the power of the internet giants and their ability to influence politics through editorial decisions. Furthermore, the decision by Apple, Google and Amazon (among others) to shut down Parler, an alternative social networking app, is likely to attract further unwanted attention.

While increased regulatory scrutiny may result in operating and financial headwinds for some of the larger technology platforms, it may prove a boon for some of our smaller internet holdings, many of which may prove direct beneficiaries of potential regulatory changes. Within the internet sector, we participated in the IPOs of both Airbnb and DoorDash initiating very small positions in highly oversubscribed deals (they surged 113% and 86% respectively in their first day of trading). Both later dipped and we took advantage of this weakness to add to both businesses which we see as leaders in their respective markets. We also continue to hold positions in the likes of Match.com, Spotify, Snapchat, TripAdvisor, Zalando, JustEat Takeaway and Pinterest, all of which remain well-positioned in our view.

Digital entertainment also saw a material increase in both penetration and usage during the COVID-19 crisis as the digital transformation of leisure accelerated with similar intensity to the digital transformation of work. Netflix (+67.1%) added 26 million net new subscribers in the first half, more than double the 12 million added over the same period the year before. Strength was even more apparent beyond Netflix, however, as the number of streaming subscriptions grew 50% in 2020 to just over 250 million in the US, with the household average going from 2.7 to 3.1 services. Disney* reached 87 million Disney+ subscribers during its first year of service, against an initial five-year target of 60–90 million. Podcast listening hours doubled on Spotify (+110.4%) while YouTube fans watched more than 100 billion hours of gaming in 2020, twice the previous year.

Videogaming companies enjoyed record playing hours as people were forced to stay home, more players gamed (mobile and PC DAUs increased by 17% and 46%, respectively) and they played different games (DAUs for commuter gaming apps decreased by 7% while mid and hardcore DAUs increased by 39%). We recently reduced our overall video game exposure, but with a new games console cycle commencing we have retained selective exposure. Recent results were generally solid, and the outlook is cautiously optimistic. Activision Blizzard declined to reveal sales for their latest Call of Duty (CoD) release but instead stated that YTD franchise net bookings had grown 80% y/y and units sold were up >40% y/y, with more than 200 million people playing CoD this year. In Europe, the much-anticipated release of Cyberpunk 2077 flopped with early reviews highlighting bugs and glitches in the game that led to its removal from the PlayStation Store (a positive for our holdings in Activision and TakeTwo as the game was perceived as a threat for 2021).

New categories of entertainment emerged and rapidly scaled during 2020, such as Peloton's (+434.2%) home-connected fitness products, which delivered 232% revenue growth in the September quarter and guided to 2.2 million subscribers by June 2021, from just 250,000 in June 2018. Match Group (+43%) saw usage hold up well during lockdowns and video dating become a routine activity as around half of Hinge users have now been on a video date. Food delivery platforms also delivered strong returns as they responded to high consumer demand at the same time as much-needed market consolidation took place. Uber (+71.5%) attempted to acquire GrubHub (+52.7%) before Just Eat Takeaway prevailed, which pushed Uber to acquire privately held Postmates. DoorDash went public in December and popped 85.8% on its first day of trading. Meituan in China was the standout performer, returning 190.4% during the year.

* not held

The strength of e-commerce and digital delivery was also felt outside the traditional e-commerce players, as a December 2020 survey of 1,000 C-Suite executives found than more than one in three firms expect 75% or more of their revenue to come from digital within the next three years (either digital products or traditional goods sold online), which is up from one in 10 in 2019.

Software

The software sector delivered strong returns as companies were required to support remote work and accelerate their digital transformation efforts during the COVID-19 crisis. The Bloomberg Americas Software Index returned 45.1% during the year, led by strong returns in cloud-native software companies which allowed organisations to rapidly pivot to the new working-from-home (WFH) scenario. Most notable was Zoom (+395.8%), which rapidly scaled to more than 300 million users and delivered one of the best quarters we have ever seen in Q2 with revenue growth of 355% y/y and operating margins of 42%.

The cloud software stack saw widespread strength as workflow automation leader ServiceNow (+95%) demonstrated the power of its cloud platform as companies had to digitise and automate business processes. Software which allows companies to interact with customers digitally also delivered strong returns as Communications Platform as a Service (CPaaS) leader Twilio (+244.4%) saw a huge uptake across a wide range of customer verticals including telemedicine and buy-online-pick-up-in-store (BOPIS). Hubspot (+150.1%) allowed smaller B2B businesses to reach and service their customers in a digital-first environment, and new customer additions ran at twice their pre-COVID-19 rate, while Zendesk (+86.8%) provided software to enable small companies to service their customers remotely.

Security remained an important consideration throughout the period and both Crowdstrike's (+324.7%) next-generation endpoint product and Cloudflare's (+345.4%) network security offering recorded explosive growth. A notable news item towards the end of the year was the SolarStorm global cyberattack, which breached the US Departments of State, Treasury, Commerce, Energy and the US National Nuclear Security Administration, through a vulnerability in SolarWind's* Orion software. We subsequently initiated new positions in cybersecurity companies Tenable and CyberArk, which address Vulnerability Management (VM) and Privileged Access Management (PAM) respectively and added to our positions in Crowdstrike and Elastic NV with both companies benefitting from strong competitive positions and secular tailwinds.

The software sector also saw material multiple expansion during the year, which broke to new highs, and by September Morgan Stanley noted the five most expensive software stocks were trading at an EV/NTM revenue multiple of 34.6x versus the 2019 peak of 28.4x and the five-year average of 14.8x. It was this multiple expansion which led us to significantly reduce our software exposure despite a very robust fundamental outlook for the subsector in 2021.

Semiconductors

Semiconductor companies also delivered strong returns as the Philadelphia Semiconductor Index (SOX) rose 53.7%, impressive given the typically cyclical sector had to contend with a global recession during the year and entered 2020 on the back of a 60.1% return in 2019. The first half of 2020 (SOX: +8.9%) was challenging as supply chains were disrupted and US/China trade tensions provided a meaningful overhang. The semiconductor space was, however, the best-performing technology subsector in the second half of the year (SOX: +41.1%) as tight supply and associated price increases, improving demand (especially automotive, smartphone and personal electronics driven by working from home) and macroeconomic optimism combined to push both estimates and multiples higher – a trend we expect to sustain through the first half of 2021.

Advanced Micro Devices (AMD) (+100%) had another standout year as they cemented their technological lead over Intel at 7nm. TSMC (+87.7%), which has been integral to AMD's technological advancement and has extended its position as the world's leading foundry, also delivered strong results. Intel (-16.8%) had an annus horribilis despite strong PC and data centre demand driven by the shift to remote working and cloud computing, as their 10nm manufacturing process was pushed out yet again. Nvidia (+121.9%) benefitted to a far greater degree on the back of strong cloud and gaming demand.

A succession of large M&A deals arrived in the latter part of the year as NVIDIA bid $40bn for ARM (private), AMD announced the acquisition of Xilinx (both held) in a $35bn all-stock deal and Marvell* snapped up InPhi* for $9bn. This consolidation reflects the enormous scale and resources required to compete at the leading edge of the semiconductor market.

Apple (+80.8%) enjoyed another strong year of performance on the back of a strong 2019 (+86.2%) as the iPhone segment unexpectedly returned to strong growth (+11%) in Apple's June quarter as demand for iPhone 11 held firm and the new mid-range iPhone SE proved popular. The 5G iPhone 12 launch in October was in line with market expectations and demand for the higher-end devices – and their supply chain – appears to be holding firm entering 2021. During December, Nikkei reported that Apple plans to produce 95–96 million iPhones in 1H21 (c90 million expected), +30% y/y and shared a tentative full-year forecast with its suppliers for c230 million units (c210 million expected), +20% y/y. If correct, this demand for Apple's first-ever 5G handsets would be similar to the record 231.5 million iPhones shipped in 2015. TSMC also expects first half 2021 seasonality to be 'much better' than previous years. 5G infrastructure and handset demand also fed into strength at Mediatek (+79.3%), who supplied handset OEMs benefitting from Huawei's troubles, and Qualcomm (+72.7%), who also reached a $1.8bn settlement with Huawei and signed a further long-term licence agreement.

* not held

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Technology Fund continued

Fund activity

We began the year fully invested as markets rallied over the first six weeks of 2020 on the back of stimulus efforts from central banks in the latter part of 2019, and the perceived amelioration of some geopolitical risks. We then moved to a more defensive footing early, rotating the portfolio quickly in light of the worsening virus situation and the evident concern at the Fed after their aggressive rate cut in early March. We reduced our cyclical, travel-related and more macro-sensitive companies, some companies trading at very high valuation multiples, and those with long sales cycles.

We rotated the portfolio towards companies we believed would benefit from a working from home/staying at home environment, the cloud infrastructure which would underpin that and those companies likely to benefit from changes in consumer behaviour. We retained our focus on companies with very strong balance sheets throughout. We also raised our cash levels and added a further layer of OTM (out of money) NASDAQ Index puts. The Fund held up well in the March selloff and finished the month down 7.3% against the benchmark's -9.3%.

Thereafter we moved to position for a 'new normal' backdrop in which a staggered reopening of economic activity would take place, balancing companies that should benefit from working and living at home (such as digital entertainment and remote work) and those that would see trends accelerate as the economy opened up and adapted (for example, industrial automation to allow socially-distanced manufacturing and food delivery). We reduced our exposure to those companies we felt were likely to be non-recurring beneficiaries of the move to working from home, such as PC-exposed names, and added to those we felt would benefit from more lasting changes, such as food delivery and exercise at home.

Valuation multiples in some high-growth areas expanded as technology earnings came in strong and the economic recovery was more robust that feared, and we trimmed some of our holdings in areas that we felt had become too overstretched. The software sector moved from being our largest subsector overweight entering the year to being a modest underweight (as it continues to be).

As we moved towards the latter stages of the year, we began to selectively add to more cyclical names as our confidence in eventual vaccine deployment and subsequent economic recovery increased. This process continued following the encouraging vaccine Phase 3 clinical trial results and we rotated further towards some of these more economically sensitive stocks, but still focused on those exposed to our eight core themes with powerful secular tailwinds and scope for market share and/or significant content gains and TAM expansion.

A good example of this was our decision to add exposure to electric vehicles (EV) largely via semiconductor/component companies such as TE connectivity, ST Micro, Infineon, Aptiv and others. We continue to hold a small position in Tesla, reflecting its leadership position today but modestly sized reflecting its elevated valuation and intensifying competition both from traditional Original Equipment Manufacturers such as VW and others attempting to solve the solid-state battery challenge.

At the subsector level we have increased relative exposure, as compared to the Fund's benchmark, to internet and direct marketing retail (e-commerce), now 3.9% overweight (2.2% at end of 2019), industrial machinery 2.8% (1.8%), semiconductors 1.3% (-2.4% underweight), auto and auto parts (electric vehicles/EV-related) 1.8% (0%), and semiconductor equipment 2% (0.5%). We also reduced our relative exposure to application and systems software to -4.1% from 5% at the end of 2019, given expanding valuation multiples.

The shape of the portfolio flattened somewhat during the year as we further diversified from 75 total positions at the end of 2019 to 85 at the end of 2020, and the top 10 holdings decreased from 44.9% to 37.3% of the Fund over the same period.

We reduced our positions in some of the largest index constituents, but these remain large underweights versus our benchmark. Incorporating our delta-adjusted call exposures in Apple, Microsoft and Alphabet, our Apple weighting has reduced to 7% from 8.5% at the end of 2019, Microsoft 5.7% (8.2%) and Alphabet 4.6% (7.1%). Several names are no longer in our Top 10 holdings, including Alibaba now 1.6% (3.9% end of 2019), Zendesk 1.6% (2.3%), Qualcomm 1.3% (2.). These have been replaced by Tencent at 2.5% (1.8% at end of 2019), Amazon 2.2% (1.7%) and PayPal 2% (1.6%). We also recently added to our positions in TSMC and Samsung with both stocks adding to gains with strong performance in early 2021.

From a geographical perspective our exposure moved modestly away from the US in favour of Europe, reflecting our increased exposure to EVs and reduced weights in some of the largest US technology companies described above. The US accounts for 69.6% of the Fund (versus 75.7% at end 2019), AsiaPac 13% (13%) Europe 9.4% (4.1%), and Japan 6.1% (6.5%). With the dollar weakening and the Chinese economy leading us out of this challenging period, we are biased to tilt our exposure in this direction, however we have not moved aggressively. Instead, we want to see how Biden/Democratic policies differ from those of Trump/Republicans with regards to China. We may well also add some China A-share exposure, although we will tread carefully here.

Long-term technology outlook

There are few events in history that mark a decisive shift from one paradigm to another, and they unfortunately tend to hinge of periods of violence or mortality. COVID-19 is sadly no different in this regard, and in the technology sector it could mark a particularly significant historical turning point. We have characterised the changes in the technology market during this crisis as an acceleration in underlying technology trends that have been ongoing for many years. Adoption has certainly increased, and far more use is being made of what was there before, but the acceleration could also mark the reaching of 'escape velocity' for some technologies, and the point at which legacy or incumbent players simply can no longer catch up.

Perhaps this significant legacy of the COVID-19 crisis on our sector will not be obvious for some time, however. On reflection it is likely that this period will be seen as the breaking point between the old way of using technology to support existing activities (using tech to do what you did already a bit better), and the new way of doing things using solely digital foundations (solving the problem using technology as the starting point). For example, electronic medical records make the administration of the same healthcare delivery more efficient, but telehealth, remote monitoring technology and the explosion in health data available make a wholly new delivery model for healthcare possible.

A McKinsey survey of 800 executives saw 85% of respondents indicate COVID-19 has somewhat or greatly accelerated their implementation of technologies that enable employee interaction and collaboration, and two-thirds have accelerated automation and artificial intelligence. More generally, the COVID-19 hiatus has provided a rare opportunity for management teams to re-evaluate the role of technology across their operations such that technology adoption will become the next driver of differentiation between companies within traditionally non-tech industries. Intangible asset investment and productivity improvements tend to occur immediately after recessions (one reason why economic recoveries have become increasingly 'jobless'), so the structural backdrop for the sector remains appealing.

Market outlook

At the time of writing there have been more than 90 million recorded COVID-19 cases and tragically nearly 1.9 million deaths globally. The most important factor for the normalisation of our lives and the direction of the global recovery will therefore be the speed and success of vaccine rollouts. We are hopeful that these will be sufficient to allow life to return to a more normal basis later in the year. Unfortunately, particularly in the UK where a new more transmissible variant has emerged, we are in the middle of a spike in cases and deaths and lockdown measures have once again been tightened. Cases of the mutated strain have already been confirmed in over 30 countries including the US, Germany, China, Australia and Japan. The containment of this new strain and the success in ramping efficacious vaccine programmes are critical to the health of the global economy.

While rapid progress with vaccine development and rollout is clearly hugely encouraging, the success of these efforts is not guaranteed so we will be watching the data closely.

As mentioned earlier, Democratic candidates won both Georgia runoffs which handed their party a narrow majority (of one) in the Senate, in addition to their control of the House of Representatives. This increases the probability of corporate tax rises (Biden's current plan would bring a c9% impact to S&P 500 IT sector earnings if fully implemented) and heightening the chance of more aggressive Big Tech regulation. This explains our decision to reduce exposure to this group of stocks since year end. It is important to remember, however, that regulation takes time and fundamentals for many of these stocks remain strong and valuations are not stretched. In the case of Alphabet, for instance, we believe regulation may unlock hidden value. The other likely impact of the election result is another large fiscal stimulus and infrastructure package, which could put upward pressure on rates and steepen the yield curve.

Policymakers have thus far been successful in ameliorating the worst economic impacts of the pandemic via their expansive monetary and fiscal support. Partly due to the fiscal and monetary backstop now embedded by these actions, equity strategists seem almost unanimously constructive on the shorter-term outlook for markets, as the vaccine allows a broader economic recovery to take hold, and any weakness or stumbles in either vaccine rollouts or macroeconomic conditions, including equity market selloffs, will be swiftly met by further fiscal and monetary support. The risk longer term for the market is that it is unclear how policymakers could unwind – or even begin to unwind – their support. The taper tantrum of 2013 may be a precursor to the market response when central banks begin to curtail their provision of abundant liquidity this time around.

The Fund's long-term performance has been mostly driven by the underlying growth of the portfolio, as we target a diversified portfolio delivering 15–25% revenue growth on a blended basis. More recently, multiple expansion has provided a further tailwind, especially for the highest-growth companies, many of which are now at all-time highs supported by low interest rates and scarcity of attractive alternatives. We have taken profits in many names here and exited or avoided some where we believe the fundamentals are exceptionally strong but too much future growth is priced in. We have, however, retained a portion of the portfolio (5–10%) in ultra-high-growth companies (50%+ revenue growth) with undefined/expanding addressable markets where multiples are elevated. Our focus is on those where we feel estimates are far too conservative and therefore valuations are not as high as they look and/or some multiple compression could be more than compensated for by very high growth. This group includes Zoom, Peloton, AirBnB, Doordash, Crowdstrike, Docusign, Twilio and (our small position) in Tesla.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Global Technology Fund continued

Market outlook continued

Stepping back, we remain constructive on the medium-term outlook for the Fund, and the technology sector. The measures society has taken to enable a flattening of the infection curve has led to a steepening of the technology adoption curve which is likely to be built upon rather than reversed in 2021. With restrictions still in place around most of the world, the first quarter will be difficult for many but should be the nadir of this crisis.

We believe a strong economic recovery is likely in the second half of the year which will benefit many sectors and support IT budgets as companies redirect resources into digital transformation efforts. If bond yields continue to rise, this may trigger a rotation from expensive growth stocks (including software, security and selected internet stocks) towards cheaper, more cyclical areas/sectors, something we have already begun within the Fund. Some volatility in the first half is therefore likely, especially given current valuation levels and investor optimism. Despite this we still expect strong underlying growth and respectable returns from our holdings over the full year. It should be noted we have been overly conservative in this regard for some time and markets may continue to power higher, but if multiples continue to expand the risks will grow commensurately. To help offset the beta of the Fund in an unexpected correction, we continue to hold a position in deep out of the money NDX (NASDAQ) Index put options. However, we remain relatively fully invested and see nothing to reverse the strong fundamental positions of the Fund's underlying holdings.

We are now entering fourth quarter earnings season which, given recent preannouncements we expect to be solid although guidance may prove conservative given macro uncertainties and tough y/y comparisons. Our team are busy meeting managements (virtually) at investor conferences and the tone is definitely constructive. We therefore enter 2021 in cautiously optimistic mood driven by robust fundamentals balanced against elevated valuations, pockets of investor exuberance and potential longer-term macro/inflationary risks to the market.

Technology Team

Polar Capital LLP

January 2021

Healthcare Blue Chip Fund

Fund performance

The Fund returned 7.9% (Class I USD Accumulation Shares) versus 14.9% for the MSCI AC World Daily Total Return Net Health Care Index (in US Dollar terms) during 2020.

Geographically, the biggest drags on performance were the US, Canada, and Asia Pacific ex-Japan, with selection the biggest challenge in the US and Canada and allocation the challenge in Asia Pacific ex-Japan. Europe was also modestly negative. In terms of subsectors, pharmaceuticals and healthcare supplies were positive contributors, both in terms of allocation and stock selection. On the negative side, healthcare equipment and biotechnology were the biggest drags on performance, with selection the primary issue. On a market-cap basis, the positive contribution from midcaps (>$1bn to $10bn) was insufficient to offset the negative contribution from the large caps (>$10bn). The Fund comprises a concentrated portfolio, with an active share of 72.5% and 33 positions at the end of the reporting period, so individual stock performance had a significant impact on Fund performance.

In terms of individual holdings, the most significant contributors to relative attribution were Horizon Pharma, Align Technology and Bio-Rad Laboratories.

Horizon Pharma's performance reflects a strong launch for one of the company's lead assets, Tepezza for Thyroid Eye Disease, a condition in which the eye muscles, eyelids, tear glands and fatty tissues behind the eye become inflamed. Despite the COVID-19 pandemic, Tepezza consistently outstripped consensus expectations, driving material revenue and earnings upgrades. Indeed, Tepezza's impressive launch moved the management team to increase the drug's peak sale potential to >$3bn from >$1bn previously.

Align Technology's strong performance can be attributed to a better than expected post-COVID-19 recovery as dental practices reopened, with demand for the company's clear aligners revitalised. Looking further forwards, Align's digital approach to dental treatment could be a catalyst for market share gains, offering customers the advantage of fewer in-practice visits with their dentist. This is something that has appeal in a COVID-19 world and should be sustainable once COVID-19-related restrictions ease.

Life sciences and tools company Bio-Rad Laboratories continued to execute operationally, driven by top-line momentum in the life science segment and steady operating margin progress. The stock also benefited from exposure to COVID-19 testing and from its 34.3% stake in German life sciences tools and services company Sartorius which performed strongly in 2020. Sartorius' success stemmed from exposure to the bio-processing market which not only has strong, underlying fundamentals but has also received a short-term boost from demand for COVID-19-related projects.

The most significant detractors to relative performance were Vertex Pharmaceuticals, HCA Holdings and Lundbeck.

Vertex Pharmaceuticals disappointed the market in October by discontinuing a Phase II asset targeting alpha-1 antitrypsin deficiency, a genetic disorder that can lead to lung and liver disease. While we believe the loss of market capitalisation to be excessive (nearly $15bn on the day), the market is concerned about Vertex Pharmaceuticals' pipeline, terminal value and a perceived need to pursue M&A.

HCA Healthcare's sharp decline in March was a direct response to concerns about near-term profitability as a result of cancelled elective procedures and the potential cost of treating COVID-19 patients.

Lundbeck had a challenging 2020 with the COVID-19 pandemic severely impacting the company's ability to launch migraine asset Vyepti. An intravenous infusion, the pandemic proved to be a material deterrent in terms of patients' appetite to visit healthcare facilities to receive their medication.

Market review

Stock markets had a volatile start to 2020, with early enthusiasm in both January and February, driven by supportive central banks, tempered by concerns that COVID-19 was going to spread outside China and adversely impact global growth. Those concerns rapidly spread, as did the virus, leading to a dramatic collapse in equity markets in March. The relatively defensive nature of the healthcare sector drove material outperformance during the month as the market contemplated the economic implications of a global lockdown. The substantial fall in markets in March was followed by an equally dramatic recovery in the following months. For want of a better phrase, the arm wrestle between the co-ordinated power of fiscal and monetary stimulus and deteriorating fundamentals saw the former take the upper hand during the second quarter. It appeared that the market was already looking beyond the challenges of 2020 and discounting a strong recovery in 2021 and beyond. The third quarter started positively but then faded towards the end of the period. Equity markets really struggled in September, with the healthcare sector outperforming. At the start of the month, optimism had reached elevated levels, possibly buoyed by the prospects of further stimulus, making the selloff understandable when no stimulus came.

The final quarter of the year started in much the same fashion as September, with strength and subsequent weakness appearing to be closely tied to any optimism and/or pessimism surrounding a potential stimulus package in the US. Global equity markets were incredibly strong in November, however, with the healthcare sector underperforming the broader markets. Positive Phase III COVID-19 vaccine data, coupled with a clearer picture of the political landscape in the US, were catalysts for the upward momentum. Europe was noticeably buoyant, with some indices posting >20% gains for the month. Key drivers behind the European performances were the more cyclical/value-oriented areas such as oil and gas, banks, insurance, auto and parts, and travel and leisure. That strength continued into the year end, with the market more and more convinced that yet another stimulus package was in the offing, that duly arrived just in time for the holiday season.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Healthcare Blue Chip Fund continued

Fund activity

While stock-picking is central to the team's process, we invest time on assessing macro factors and, unfortunately, the Fund entered the year with positioning driven by an optimistic top-down view of the economic growth outlook for developed markets with COVID-19 at the time deemed a problem isolated to China. With leading economic indicators rising, the top-down part of the investment process drove increased exposure to healthcare equipment and a significant underweight in pharmaceuticals. Towards the end of the first quarter, however, we materially reduced our exposure to healthcare equipment, reflecting concerns that the COVID-19 pandemic would dramatically reduce utilisation, especially for elective procedures.

The peak in risk aversion by investors appeared to occur in the latter part of March, as markets started to digest the sheer size of the stimulus packages. After the sharp collapse in stocks, we saw this as a compelling opportunity to shift to a more aggressive approach and take advantage of the extreme weakness. The view was taken that the worst was over and that the worst of the data, whether it be economic activity or healthcare utilisation, would hit a low in April and move aggressively higher at a rate much faster than generally expected. The belief here stemmed in large part from efforts being made by the healthcare industry, whether it be diagnostics or drug development against COVID-19, to facilitate living with the pandemic pending the successful development of vaccines. For the Fund, this view was translated into increased exposure to life sciences tools and services, managed healthcare and healthcare supplies.

Positioning and conviction within subsectors were consistent in the third quarter, although the relative underweight in pharmaceuticals was narrowed and the relative overweight in biotechnology was increased. The Fund continued to be overweight in life sciences and tools, healthcare services and modestly overweight managed healthcare.

Geographic analysis of the Fund over the 12-month reporting period reveals a consistent pattern with the majority of the assets in the US and Canada. This did, however, move from 74.8% at the end of December 2019 to 61.8% as at the end of December 2020. The shift reflects greater exposure to European medical device and life sciences and tools investments.

Market outlook

In the short term, a weak dollar and an accommodative Fed is positive for US equities, with upwards inflationary pressure possibly favouring value and cyclicality. Outside the US, the weak dollar is a positive for emerging markets but is pressuring corporate earnings for European-based multi-nationals that generate profits in dollars.

The market also needs to digest the outcome of the Georgia run-off elections and the implications of a Senate that is split 50:50 between the Democrats and the Republicans. Higher taxes and a greater focus on drug pricing are a distinct possibility now, but then so is a more material stimulus package and investment in infrastructure. Looking further out, following the Emergency Use Authorisations for COVID-19 vaccines late in 2020, the successful rollout of vaccination programmes globally will be key to generating herd immunity and allowing economies to reopen again in 2021.

Focussing on healthcare, dealing with and then living with COVID-19, and US politics will continue to dominate the headlines in the near term. Importantly, however, thanks to the extraordinary efforts by the healthcare industry an optimistic stance with regards COVID-19 is perfectly justified. The availability of mass testing, the development of novel therapeutics and authorised vaccines are all good reasons to be positive. The biggest challenge now is one of logistics as healthcare systems globally embrace the challenge of mass vaccination.

Switching gears to politics, leading into the election, Joe Biden's focus was on building on and investing in the current healthcare system, known as the Affordable Care Act (ACA), and addressing the high cost of prescription drugs. With regards to the former, Biden has signalled he will consider a public insurance option and will also consider lowering the eligibility age for Medicare from 65 years of age currently. Investing in the ACA and lowering the eligibility age for Medicare are both potential tailwinds for the insurance industry given the positive volume implications. A public insurance option, however, could present a challenge but only if administered and underwritten by the Federal government.

With bipartisan support, addressing the high out-of-pocket costs for prescription drugs, especially for US seniors, is a directive that will likely have traction. A divided Senate is unlikely to support the more draconian policies such as direct negotiation of drug prices by the government, but we believe the Administration will look at a number of plans including using international pricing mechanisms to value drugs ahead of US launch; prohibiting drug manufacturers from increasing prices above the general rate of inflation; allowing for drug reimportation; and supporting the development of lower-cost generics. Regardless of the potential changes, the message to the biopharmaceutical industry is clear – innovate and target unmet medical needs because pricing pressure is here to stay.

Importantly, regardless of the political environment we have identified a number of key themes and opportunities in healthcare that we believe offer the potential for significant returns in the years ahead.

The major investment themes, which we discuss further below, are:

- Employing technology to disrupt healthcare delivery and shift utilisation to lower cost settings: We believe this will be by far the most important structural shift in healthcare for the next 10–20 years and the enablers of this shift should enjoy significant growth.
- Product and service innovation: Long-term product or service development success is dependent on the ability to lower healthcare costs.
- Consolidation on the rise again: Leaders that can acquire high quality assets in fragmented markets at attractive valuations could enjoy significant outperformance.
- Growth in emerging market healthcare demand: We believe this is due to move significantly higher over the next 15–20 years, and investing in the long-term structural growth stories could deliver handsome returns.
- Outsourcing: This is not a new theme but growth is robust across clinical trial outsourcing, manufacturing and early-stage research.
- Prevention: The impact of COVID-19 has highlighted the value of diagnostics and vaccines, both of which provide tremendous value to healthcare systems as prevention is the most cost-effective way of delivering care.

2020 will of course be remembered for the COVID-19 pandemic, the biggest economic, social and healthcare crisis of our generation. Importantly, however, the crisis has been a genuine catalyst for positive change in the healthcare industry, accelerating the adoption of products, technologies and services designed to make wide-scale access to healthcare more efficient and more affordable without compromising quality. It is that structural shift that we believe will yield some truly exciting investment opportunities, opportunities that could generate attractive returns.

Healthcare Team
Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Healthcare Discovery Fund

Fund performance

From the Fund's inception on 31 January 2020 to the end of the year, the Polar Capital Healthcare Discovery Fund returned 50.5% (Class I US Dollar Shares) versus 41.3% for the MSCI World Healthcare Small Cap Net TR Index, a difference of 9.2% (in US Dollar terms). While the healthcare sector was not immune to the downturn, and certainly not at the smaller end of the market cap spectrum, we did well relatively going into the depth of the pandemic-led recession, though we fell behind as equity markets moved off their March lows. In particular we were too cautious moving cash back into the market, especially down the cap scale, against a meteoric rise of the more speculative end of the investible universe. However, we continued to improve on our absolute and relative performance into the back half of the year, helped by a notable pickup in M&A activity. From August we received at least one bid a month, with November being the only exception.

Over the period in review, the market cap complexion of the Healthcare Discovery Fund was as advertised. Approximately 90% of the investments were in small (45%), mid (34%) or micro-cap (10%) companies with the balance split nearly evenly between cash and larger-cap (>$10bn) companies. We did well in our allocation across the market-cap spectrum other than not being fully invested. Our stock selection worked in our favour with the exception being the mid-cap area.

From a geographical perspective, allocation to cash would be the top detractor to the total attribution effect, here and elsewhere as noted previously, though in hindsight we could have allocated more to Europe and less to North America.

Our selection effect across all regions was positive; currency, while minimal, was also additive. On a subsector basis, all areas contributed to a positive total attribution effect outside cash, insurance brokers, life sciences tools and services and managed healthcare, in the order of decreasing significance. Our exposure to insurance brokers was down to a single position which could have been avoided altogether if we had been more aggressive and cut the position rather than just taking profit. Performance in life sciences tools and services was somewhat due to not having allocated more capital there but more so to our stock selection. For managed healthcare, our stock selection hurt us though the largest holding, and a material position for the Fund, received a bid on the first trading day of the new year so that should lessen the related performance detraction.

The top three contributors to returns were Immunomedics, MyoKardia and Owens and Minor. The first two were biotechnology positions that received bids at a significant premium, coupled with our relative positioning to the benchmark, resulted in an additional multiplier effect. Owens and Minor is a long-standing US-based distributor of healthcare supplies and products. While in the middle of a restructuring with new management at the helm, their ability to locally manufacture and deliver personal protective equipment (PPE) at scale was an unexpected and significant accelerator to their business turnaround.

Alternatively, timing proved key and our exit from Pacific Biosciences and Sage Therapeutics cost us dearly. Another poor contributor was uniQure, a gene therapy company, which had a couple of setbacks over the year. One was the market's perception and a resulting rotation of its shareholder base which we viewed as a shorter-term issue; the other, more recently and notable, was related to a clinical hold for its lead gene therapy programs.

Market review

While we would have hoped our experience managing money through both the dot.com era and the global financial crisis would have served us well, these events paled in comparison to 2020. The extent and speed of the market gyrations in both directions as well as the relentless nature of events certainly tested us. Smaller companies were treated especially harshly and as such rallied extremely hard from the March lows – the healthcare sector was not immune but did relatively better in more defensive areas on the way down and more speculative areas on the way up. Of note is the smaller members of the biotechnology sector enjoying an off-the-charts 2020, which is distinctly different from what we have witnessed moving through a more typical recession and bear market. In hindsight it is easier to see that being a socially-led recession, with healthcare being seen as the innovation engine to kickstart the recovery, was at play as opposed to managing through the events as they unfolded.

In addition, the related progress and associated returns witnessed for innovative therapies and diagnostics captured the interest and imagination of the retail investor having witnessed a perfect storm when it came to investing in medical-related R&D as well as associated research services and tools. Add to that the supportive efforts of both monetary and fiscal policy backstopping markets resulted in a heady cocktail of fund flows into the smaller and more speculative areas of the healthcare sector. The smaller-company indices continued to work well into the year end, with the Russell 2000 witnessing its best performance ever over the month in November. December capped a record final quarter of the year, with the healthcare subsector surprisingly keeping mostly in lockstep as opposed to being a source of funds.

Finally, it is worth mentioning that while 2020 was extremely macroeconomic and style-driven, as the vaccine solution continued to build from late summer we saw the beginning of less influence continuing to build into the end of the year. This was evidenced more by the rotation into cyclical, recovery positions and the broadening of what had previously been a very narrow market.

Fund activity

In retrospect, we would not recommend launching a small-cap fund of any kind during a global pandemic though feel very fortunate that we had, and continue to have, the support both from within the firm and from those clients investing with us. Clearly our turnover was higher than we should see going forwards, as mentioned above.

The fact that the healthcare sector was heavily involved both as a centre for coronavirus testing and care on the one hand, and a potential solution on the other, added more complexities rather than less in terms of potential rotation scenarios. The twists and turns of the 2020 financial markets will stay fresh in investors' minds with, for healthcare investors, the US presidential elections and threat of a Democratic sweep at the top of their list. Despite our best efforts to position ahead of time, the market event was unsuspectingly the week following the election when the first vaccine emergency-use authorisation was granted. The resulting market rotation was significant, and to the detriment of 'working from home' (innovate) darlings and the advantage of 'reflation' (vaccinate) market positioning.

We made mistakes along the way: we had more cyclical healthcare, services and healthcare devices exposure going into the crisis which hurt; we sat on our hands rather than exiting completely from nursing homes or extended care facilities early on that clearly looked to be directly headed into the eye of the storm. We also worried too early, reserving dry powder should the healthcare sector be seen as a source of profits, particularly in the biotechnology sector where dynamics well beyond fundamentals were, and remain, in control.

All that being said, we remained committed to our process, investing in innovative companies bringing solutions to real-world healthcare challenges with strong management teams at the helm. We looked to trade accordingly when the market reaction was too depressed or too exuberant, being contrarian where we could support it. This mostly went to plan though there were times when we had our doubts in the middle of the day-to-day mark to market. Thankfully, and similarly to past extreme market conditions, our investment process has, more often than not, been a reliable port in the storm.

Market outlook

We believe that as long as the vaccines continue to address coronavirus and the emerging variants, then smaller companies should do well in a backdrop of low interest rates over the coming year, a weaker US Dollar, c5% GDP, robust and ongoing fiscal policy and generally absent inflation. Having said that, the US 10-year treasury is on the move upwards as we write and the US Dollar is reversing as a result which has not gone unnoticed. There is likely to be more of this back and forth as the current and subsequent fiscal policies rollout, in conjunction with a continued patient monetary stance in the near term. Suffice to say, the second half of 2021 and into 2022 could bring with it the beginning of FOMC taper 12–15 months down road, and 2023/early 2024, the first interest rate hike. If 2020 has imparted anything, trying to map out tomorrow when a virus is in the driving seat is mostly a fool's game. Even so, we want to be mindful of any winds of change as smaller companies have tended to outperform midway into a recession and into any early reflation of the cycle. Ideally, we want to take our leave on our own terms before heading into the latter stages of the economic cycle rather than the market showing us the door.

Healthcare investors should also be cognisant of evolving US politics, more pointedly the new administration's general agenda and how they plan to pay for it. President-elect Joe Biden will likely prefer a budget-neutral approach so we also need to consider that the biopharmaceutical industry may be in the crosshairs for budget cuts in terms of US drug costs. While there might be talk of this in the first 100 days of the new administration, we would not expect any action of significance until later in the year and more likely following a successful showing at the congressional mid-term elections in 2022.

Nearer term, many may be quick to call a less stellar relative performance for healthcare as we enter the new year, especially further down the cap scale. However, we would note that healthcare continues to be a growing and significant part of broader smaller-company indices – c13% for the Russell 2000 – so it cannot be ignored. Furthermore, the healthcare sector is often labelled broadly as defensive by investors when it has consumer elements that are cyclical in nature and have been clearly exhibited over the pandemic to date. In sum, as the macroeconomic and factor influence of 2020 hopefully continue to ebb away active investors – indeed the fundamentals of investing – should retake the market lead.

In addition, the inadequacies of our global healthcare infrastructure have been magnified by the pandemic for everyone to see. Breakthrough therapies and procedures will always be welcomed; the years of research in vaccine development and the potential benefits offered have been witnessed by the public in real time. Saying that, having an inadequate delivery system should not be an undermining factor of the necessary contributions to health and economic wellbeing. As such, the more critical medical need today is a 21st century healthcare system and marketplace that allows those patients who are the highest priority to be rapidly seen and treated in a variety of settings, with adequate support for recovery and wellbeing in a transparent and cost-efficient manner. Clearly, this will not be an overnight process though a global medical crisis will hopefully accelerate the journey which has already begun. From both a top-down and sector perspective, capital should flow to more consumer-driven areas of healthcare coupled with a stock selection revival in the areas of therapeutics, particularly biopharmaceuticals.

Finally, smaller company investors will appreciate that innovation often percolates up through the smaller end of the market-cap spectrum, evidenced by the broader small-cap universe as well as the healthcare subsector witnessing a number of M&A bids in the back half of 2020. We would expect this to continue in 2021 as the need for pipeline innovation is great coupled with extremely healthy cash balances. The Healthcare Discovery Fund captured additional alpha here during 2020 and, while we do not invest on the basis on M&A alone, we would be disappointed if we do not enjoy some portion of continued bid activity over the year ahead.

Healthcare Team

Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Healthcare Opportunities Fund

Fund performance

The Fund returned 18.7% (Class I US Dollar Distribution Shares) compared to 14.9% (in US Dollar terms) for the MSCI AC World Daily Net Total Return Health Care Index during 2020. The sector slightly lagged broader markets following outperformance in the first half of the year. Small-cap healthcare and biotech were significant outperformers over the year as excessive liquidity and low interest rates drove investors into long duration assets. Relative performance from the more defensive areas of healthcare such as large-cap pharmaceuticals deteriorated in H2, particularly heading into US elections, and through the impact of rotation into more cyclical areas of the market.

From a geographic perspective, allocation was negative while stock selection was positive. The US and Japan were very positive regions for the Fund while Asia Pacific ex-Japan was negative. In terms of market cap, mid-cap stocks were a significant positive, small caps a slight drag and large caps more negative in terms of relative performance. Stock selection was negative in large caps, driven by the negative impact of March on relative performance. On a subsector basis, allocation was a negative while stock selection was strongly positive and drove outperformance over the period. Overweight healthcare supplies and underweight pharmaceuticals were both positives, while overweight positioning in healthcare facilities and health insurance brokers were negatives for the Fund. Stock selection was positive for pharmaceuticals, healthcare distributors and healthcare services, and negative for healthcare supplies and healthcare equipment.

The most positive contributors held in the Fund were Medley, Immunovant and AdaptHealth. Medley, a Japan-based healthcare technology company that provides telehealth capability for providers, was driven significantly higher by demand for its services during the pandemic. Reimbursement was also improved, further accelerating the use of its services. Immunovant, a US-based biotech company, reported positive data for its lead product candidate in clinical trials. With broader interest developing in the target that Immunovant is focused on, driven by positive data from competitors that led to an acquisition of a biotech company operating in the space, investors rewarded the company with a significant move higher in its stock. AdaptHealth, a US-focused healthcare services company, enjoyed a significant period of growth through the year and was also aggressive in driving its acquisition strategy.

The most negative contributors were Quotient, Sientra and Biomarin Pharmaceutical. Quotient, a Europe-based diagnostic company, struggled with delays in clinical development and at a regulatory level causing the stock to underperform. Also, the company had to raise funds due to its desire to lift a financing overhang which was holding back the stock. Sientra suffered due to a collapse in its business from the pandemic. Biomarin Pharmaceutical was weak following disappointing news from the US regulator on its gene therapy program.

Market review

Markets in 2020 were extremely volatile as investors reacted to the pandemic and then the recovery in stocks driven by both monetary and fiscal stimulus throughout the year. The year began with markets strong, with sentiment reaching elevated levels by February with news of COVID-19, mostly discussed in relation to what was happening in China as opposed to any perceived threat of the virus spreading.

This all changed in March with markets collapsing as COVID-19 spread rapidly across the world, forcing governments into announcing nationwide lockdowns. Fears reached an extreme at the end of the month and into early April as defensive stocks' relative performance peaked with markets at their lows. From that point on, markets experienced an incredible recovery into the year end. Central banks reacted quickly to the shutdown of economies, releasing incredible levels of monetary stimulus while governments reacted with fiscal stimulus to support jobs and businesses impacted by the pandemic. Companies selling products or provided services that were perceived as valuable in the fight against the pandemic dramatically outperformed. This proved relevant to part of the healthcare sector including diagnostic companies and vaccine developers.

Interest rates reflected the shift in monetary policy with real rates moving into negative territory. This caused aggressive flows into long-dated assets and high growth companies, with valuations jumping aggressively and discount rates collapsing. At the same time, from late in the second quarter onwards, more cyclical areas of the market began responding to the stimulus as well as the efforts to fight the pandemic, particularly on the medical side with positive early news on repurposed drugs showing some activity in infected patients. The debate on the relative potential for growth versus value stocks increased dramatically, with growth being such a significant outperformer over the past few years and then moving to extremes in 2020. While that debate continued, it was the performance of cyclical stocks from the lows that was most striking.

Volatility remained elevated throughout the year although obviously lower than in March/April. Equities pulled back in September as sentiment reached higher levels over optimism around the recovery. The summer months were better with regards to the pandemic as interactions were largely outdoors limiting the spread of the virus in the northern hemisphere while the southern hemisphere attempted to manage outbreaks with further lockdowns. Volatility picked up again heading into the US election as fears increased over the potential for a Democratic sweep. The outcome was close, with Democrat Joe Biden winning the presidency, the Republicans gaining ground in the House and a 50:50 split in the Senate, though Kamala Harris will have the deciding vote as Vice President.

Post-election day, the first data from pivotal vaccine trials were announced from Pfizer/BioNTech. The data released were stunning on efficacy and safety and investors reacted favourably to the news with significant outperformance from cyclical stocks once again. November witnessed incredible moves in stocks, driven by rising optimism among investors with further gains in December.

Small-cap stocks in particular were very strong. Moderna announced positive vaccine news as did AstraZeneca/Oxford University although the data from the latter were not as strong. Some of the action at year end became speculative with extreme flows into ETFs driving outlandish moves in some of the most volatile stocks.

Fund activity

To start the year exposure was reduced with cash received as sentiment approached elevated levels. Stocks were purchased on any weakness in January and February. The Fund was obviously hit very hard in March as highlighted previously. Trading was kept to a minimum with only a small number of positions sold during the market collapse. Once it was apparent that maximum fear among investors had been reached towards the end of March/early April, a strategic shift was made to aggressively increase the beta of the portfolio. The view was taken that the low had been reached and that markets had the potential to rebound significantly over the coming months. Thus, defensive holdings were sold and stocks beaten down during the market collapse and higher risk areas of healthcare, including small and mid-cap biotech, were purchased with the proceeds. Sales included AstraZeneca, Novo Nordisk, AbbVie and UCB. Purchases included Stryker, Immunovant, Immunomedics, Quest Diagnostics and Hologic. Some of the purchases reflected increasing exposure to the testing companies that played an important role in attempting to manage the pandemic. Some stocks rebounded aggressively, for example in the medical device subsector, during April and May so some were sold to allow rotation into higher conviction investment opportunities. Admittedly, trading activity was elevated throughout the second quarter.

As the year progressed, the cyclical exposure of the Fund was continually increased with the purchase of recovery stocks in subsectors such as medical devices and healthcare supplies. This included stocks such as Teleflex and Align and remaining defensive holdings sold such as Grifols. Diagnostic stocks in relation to testing for COVID-19 were sold down towards the end of the summer in the anticipation of more competition and ultimately news on the vaccine.

One impact of the pandemic has been a significant acceleration in some of the key investment themes in healthcare with one of the most significant being the disruption to the delivery of healthcare to patients over time. Obvious examples have included telemedicine while others have included the shift of the delivery of healthcare to lower cost settings and away from major hospitals. Stocks purchased fitting with this theme included Amedisys, Addus Homecare, AdaptHealth and Providence Service Corporation.

In emerging markets, stocks purchased included Innovent Biologics in China and Gedeon Richter in Hungary. In Europe, more recovery stocks included EssilorLuxottica and ALK-Abello. In September, exposure was moderated as sentiment reached extremes, with cash raised and a position in Johnson & Johnson purchased to reflect shorter-term concerns. Leading up to the US presidential election, large-cap pharmaceutical and biotech stocks were extremely weak thanks to fears over a Democratic clean sweep with a significant lead expected in the Senate. This did not materialise and a position in Roche was established alongside an increase in exposure to AstraZeneca with the aim of also reducing the beta of the portfolio at the margin as sentiment started to become extended again. Indeed, at the end of the year speculative activity increased due to extreme fund flows which impacted certain pockets of biotech and high growth areas of small and mid-cap healthcare. As such, exposure was reduced in relevant stocks.

Market outlook

The outlook for healthcare remains strong in terms of demand drivers and the key themes that are driving top-line growth. The impact of COVID-19 has obviously been significant and accelerated some of these themes ahead of our expectations. Nevertheless, there is still a long runway of growth ahead. The efforts made by the industry have been remarkable, with the development of vaccines the most outstanding and highlights the strength of innovation across the sector. This does not mean challenges are not there, particularly with changes on the political front that could impact policy in the future. This is, however, somewhat discounted in areas such as pharmaceuticals, large-cap biotech and managed care which have pushed multiples for the sector to a significant discount to the market. Thus, valuation for healthcare is attractive on an absolute and relative basis.

There are extremes in certain pockets of the sector in terms of both sentiment and valuation. High growth stocks in medical devices, diagnostics and life science tools trade at extreme multiples and at present do not offer attractive potential returns without a significant correction. Also, some of the most speculative areas of biotech saw extreme performance in the second half of 2020 and thus do not offer positive risk/rewards heading into 2021. The reason for such extremes in certain areas has been the persistence of negative real rates through stimulus from central banks. Therefore, any change here could cause a large pullback in relevant stocks, generating potential buying opportunities. It should be noted that, despite these extremes, there are many exciting investment opportunities across the sector with positive fundamentals and thus the stocks with high valuations can be avoided. Growth potential, positive catalysts, M&A and attractive valuations should all draw greater investor interest into the areas of healthcare that did not outperform in 2020. The outlook for the sector in 2021 is therefore highly encouraging. On a broader note, 2020 was incredibly challenging in so many ways and we are hopeful of better times ahead in 2021.

Healthcare Team
Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

Income Opportunities Fund

Fund performance

The Fund's unit price fell 3.4% (Class B2 I Sterling Accumulation Shares) over the year while in comparison our benchmark index, the STOXX Financials Index, fell by 8.8% (in sterling terms).

Market review

Despite an initially promising start to the year, equity markets gave up their initial gains and fell in January. The fall was initially over rising tensions in the Middle East, following the assassination of Qasam Soleimani, the head of Iran's Revolutionary Guard, but the assassination was quickly overshadowed by the concern that the rapid spread of COVID-19 in China could have a significant impact on global growth.

While containment policies in China and elsewhere in Asia quickly appeared to be working, its spread to other countries in Europe, initially Italy, led to a domino of lockdowns globally as governments tried to reduce the impact of COVID-19 on healthcare systems. As a result, financial markets suffered a brutal selloff towards the end of February and into the middle of March, exacerbated by a sharp fall in the oil price following the breakdown of talks between Saudi Arabia and Russia which also knocked sentiment.

The response by central banks was swift in cutting interest rates and injecting significant amounts of liquidity into financial markets. Governments also acted with surprising speed and announced various stimulus programs of unprecedented sizes, including guaranteed loans to companies, payments to cover employees on furlough, direct payments to unemployed workers and so on, all to dampen the impact of lockdowns on businesses and individuals. Against this background, equity markets bounced sharply, led initially by the US and technology shares hitting all-time highs. Credit markets recovered even more swiftly, benefiting from the Federal Reserve announcement that it would buy ETFs that invested in corporate bonds, with investment grade bonds recovering all their losses by the end of May. High yield bonds also saw a strong recovery and ended the year almost unchanged.

While US equity markets led the recovery, the performance of Asia ex-Japan was stronger over the financial year, reflecting their better handling of the crisis and therefore stronger recovery. Conversely, European and Japanese equity markets lagged the rally albeit driven more by their lower weightings in those sectors, such as the technology sector, that have been the biggest beneficiaries of the crisis.

In November, equity markets posted further significant gains on the back of the positive news on the efficacy of Pfizer's coronavirus vaccine, in collaboration with BioNTech, as well as those being developed by others. Furthermore, the result of the US election, with Joe Biden winning the White House, was seen as decisive enough to remove the risks of months of legal wrangling over the outcome and helped sentiment.

Equity markets continued to rally through the last few weeks of the year as despite sharply rising cases of COVID-19 resulting in further lockdowns. The approval by regulators of a number of the vaccines for immediate use allowed investors to look through the short-term uncertainty in anticipation that vaccine rollout will allow governments in due course to reduce restrictions and open up economies more quickly.

Sector review

Not surprisingly, the sector materially underperformed over the period reflecting its cyclicality and operational gearing to economic growth and financial markets. Banks suffered very large falls in share price initially. The combination of falling interest rates, which for most banks reduces net interest margins, and rising provisions for loan losses brought on by lockdowns and behavioural changes around spending, had a significant impact on profitability.

Globally, banks raised loan loss reserves against future losses significantly, particularly in the US and Asia but to a smaller extent in Europe, in part driven by a change in accounting rules that means banks have to recognise potential losses earlier in a downturn than they would have previously. These estimates assumed significant falls in GDP and real estate prices, as well as a sharp rise in unemployment.

There was a strong pickup in loan growth at the start of the crisis as corporate customers drew down on facilities, which offset some of the headwind of falling net interest margins, although the vast majority was quickly repaid over the ensuing months as they were able to tap capital markets. Larger banks benefited from strong trading and investment banking revenues, resulting from the volatility in financial markets, which was a significant offset to weaker retail and commercial banking revenues.

Regulators were quick to react to the crisis, telling banks in the UK and Europe to suspend dividend payments and buybacks. Regulators elsewhere took a more pragmatic approach. In the US, restrictions were limited to a ban on buybacks and a cap on dividends not to exceed earnings over the previous four quarters while in other markets regulators put limited restrictions on the level of dividends banks could make.

Conversely, regulators also lowered capital requirements, reducing counter-cyclical buffers to zero while also reducing other buffers, so that banks have more flexibility to take loan losses but still support borrowers. They also told banks to not automatically treat borrowers who asked for loan payment holidays as likely to default as they would have had to do under the new accounting rules.

Insurance companies also suffered large falls in share price. Life assurance companies, which are highly geared to credit markets and to a lesser extent equity markets, corrected sharply. Counterintuitively, non-life insurance companies which historically have acted very defensively in market corrections as earnings are driven by claims which are largely accident or weather-related, also suffered large share price falls, driven by concerns over their exposure to COVID-19-insured losses due in part to poor policy wording.

Consequently, a number of insurance companies raised capital to either repair their weaker balance sheets and/or take advantage of the more positive pricing environment going forwards. The one exception has been those insurers primarily focused on auto or home insurance which have benefited from lower frequency of claims brought on by the significant increase in people working from home and thus much reduced road traffic. Some of these savings were returned to policyholders as rebates but has also resulted in a fall in car insurance rates.

Consumer finance companies suffered some of the largest falls in share price and while recovering strongly some remain well below the levels they were at the beginning of the year. The share price of asset managers, not surprisingly, also fell sharply but rallied along with financial markets with alternative asset managers and those traditional asset managers with large passive fund businesses continuing to outperform their peers focused primarily on actively managed fund mandates.

Fund activity

Early in the year we reduced our exposure to European banks, selling holdings in BNP Paribas and Banca Sistema while also reducing a holding in ING Groep. We similarly reduced our exposure to US banks, reducing holdings in a number of them while also selling a holding in East West Bancorp in preference for reintroducing a holding in SIVB Holdings, another Californian bank, which we believed would be more resilient.

Against this, the opportunity was taken to add to a number of holdings which had suffered significant falls in share price where we felt there was limited downside risk but significant recovery potential including Riverstone Credit Opportunities and UK Mortgages Limited. In a similar vein, a new holding was also purchased in Lancashire Holdings while we added to holdings in Allianz, Arch Capital and Chubb, thereby increasing our exposure to the non-life insurance sector.

A holding in the senior bonds issued by Bank of Georgia were redeemed on their maturity date while holdings in Aldermore AT1 bonds and a Morgan Stanley bond were both called at par, the latter unexpectedly well above the price at which it was trading at the time, albeit it was only a very small holding. Holdings in the senior bonds of Amigo Holdings and Songa Container were both sold on concern about the outlook for both companies.

We added to our holdings in the senior bonds of International Personal Finance following a collapse in its price. New holdings were also purchased in the AT1 bonds issued by Nationwide Building Society, Tier 2 bonds issued by Phoenix Group, Virgin Money Holdings and Jupiter Fund Management, the latter which was issued to help facilitate Jupiter's acquisition of Merian Global Investors. A new holding was also purchased in the senior bonds issued by FS KKR Capital.

In the second half of the year the opportunity was taken to gradually add to our equity exposure by primarily increasing exposure to banks. A holding in BNP Paribas was reintroduced as well as adding to the Fund's holding in ING Groep and UBS. New holdings were purchased in Kasikorn Bank, a Thai bank, Signature Bank, a New York headquartered bank, and Wells Fargo, albeit the holding in Signature Bank was sold following a sharp jump in its share price. Holdings in Citigroup and SVB Financial were also sold.

Conversely, exposure to fixed income securities was reduced with holdings in Citigroup, FS KKR Capital, Permanent TSB, Sallie Mae and Virgin Money either sold or redeemed at par. A number of other holdings were also reduced, including holdings in Tier 2 bonds issued by HSBC Holdings, among others. A holding in Alternative Credit Investments was also sold. A holding in Rabobank Stichting 6.5% preference shares was purchased.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Income Opportunities Fund continued

Market outlook

The significant underperformance of the financial sector over the past year has been exacerbated by the difficulty investors have found in quantifying the impact on it, given the size of the exogenous shock to economic activity and lack of historical comparisons. We consistently believed the downturn brought on by COVID-19 would be an earnings event for the sector given its underlying profitability and capital buffers, not a capital one, and therefore the fall in valuations was not justified by the fundamentals.

Nevertheless, the majority of the Fund's equity holdings are invested in banks and non-life insurance stocks. The valuation of non-life insurance stocks has fallen quite sharply over concerns the sector will suffer a significant hit to earnings. However, banks have seen the sharpest falls in share price, taking their valuations down to levels only previously seen during the global financial crisis when the solvency of the banking sector was in question, unlike today. While the sector rallied from the lows in March it was not until November, on the back of the announcement of positive test results for a number of vaccines that resulted in a very sharp rotation back into financials, in particular bank stocks. However, despite the rally the underperformance of the sector versus underlying equity markets since the onset of COVID-19 remains material at close to 20% for the calendar year. However, if the distribution of vaccines allows governments to pivot and reduce restrictions more quickly, we believe it is likely that growth will surprise in 2021 and 2022 and the sector will continue its recent outperformance.

Certainty about loan losses will be critical to the performance of bank stocks and therefore the sector. Evidence so far is that companies and individuals who have taken up payment holidays have by a significant majority returned to paying interest and principal as normal. The reality is that the size of loan losses will not be known until the second half of 2021 and by then the sector will have rallied further if economic growth is as strong as currently forecast. The recent pickup in M&A activity would suggest management teams are increasingly confident about the outlook and therefore balance sheet risks.

Governments and central banks continue to provide significant fiscal and monetary stimulus. Against this background, banks have taken provisions for a deeper downturn, for higher unemployment and for a fall in house prices that is yet to be borne out. As a result, it is likely that some of the loan loss reserves they have taken will have to be written back which will boost earnings. Any pickup in loan growth and fee income growth where expectations are muted will further boost earnings.

In that vein, one of the biggest headwinds for the banking sector in recent years has been the decline in interest rates. Part of the reason for this is that central banks have had to do most of the heavy lifting in stimulating demand by keeping interest rates low as governments have run tight fiscal budgets. The steps that governments have taken this year, as a consequence of COVID-19-induced lockdowns, has led to broad money growth in the OECD hitting a 30-year high and its highest in the US since the Second World War. The implications of this are unclear but may well lead to a less disinflationary environment looking forwards which would materially benefit the sector.

The decision by UK and European regulators to make banks under their jurisdiction and some insurance companies suspend dividend payments at the onset of the crisis has reduced dividend payments in the short term and therefore, also the revenue generated from the portfolio but that has not prevented the Fund from maintaining dividend payments. With regulators now starting to reduce restrictions on the return of capital by banks under their jurisdiction, the outlook is more promising.

The Fund did not perform as well as we would have expected in the correction, taking into account our holdings in fixed income securities and defensive equity holdings, but conversely only one of our holdings raised equity during the year, when we would have expected more to do so considering the unprecedented nature of the downturn. The fact that they did not highlighted the resilience of business models and strength of balance sheets, notwithstanding the significant fiscal and monetary stimulus that helped as well.

The financial sector operationally has performed well during the crisis. It has also facilitated government guaranteed lending to businesses though the likes of the Coronavirus Business Interruption Loan Scheme in the UK and the Paycheck Protection Programme in the US. We believe balance sheets remain robust and earnings will likely recover sharply over the next few years. While the discount the sector trades relative to the underlying equity markets has narrowed from the lows of March, it remains high historically offering significant upside.

Against this background, the Fund remains well positioned. The upside potential from our equity holdings, from a stronger economic recovery, is balanced against a significant exposure to more defensive holdings which will dampen any shorter-term volatility, from a slower than expected rollout of vaccines and/or further lockdowns being imposed by governments to offset the recent much sharper rise in COVID-19 cases and hospitalisations.

Financials Team

Polar Capital LLP

January 2021

Japan Value Fund

Fund performance

The Fund's Class S Japanese Yen Distribution Share Class declined 12.2% versus an 7.4% increase in the TOPIX Total Return Index over the year.

The Fund materially underperformed the benchmark for the first time since the strategy launch. The poor performance was underpinned by stylistic headwinds with the Fund's value and small-cap biases both being heavily out of favour. The TOPIX Value Index and the TOPIX Small Index underperformed their counterparts by 23.5% and 8.9% respectively during 2020. The extreme nature of underperformance for the Fund's style has largely been driven by the COVID-19 pandemic.

The Fund began the year having enjoyed a period of outperformance in late 2019. This was largely driven by a number of holdings being supported by the improving sentiment for Japanese governance reform. However, from January 2020 the Fund saw performance materially deteriorate, with returns driven by sensitivity to the COVID-19 pandemic. The Fund was unfortunately poorly positioned for the pandemic with a number of highly sensitive stocks including railways, an airline and an artist management agency, among others. These holdings significantly underperformed the benchmark during the initial COVID-19 selloff. Significant changes were made to the portfolio in the second quarter once the impact of COVID-19 was understood. Since then, the Fund has continued to underperform its benchmark, but the performance is in line with its value style which has significantly underperformed throughout 2020.

On a stock-selection basis, the Fund endured a large negative impact in the large-cap space where the extreme polarisation of value/growth valuation divergence was most significant. The largest negative contribution to selection came from stocks within the technology (Keyence, Sony) and information and communication (Softbank Group) industries that we do not own. On an absolute basis, the biggest detractors to performance were largely the highly sensitive stocks the Fund owned at the start of the pandemic including Inpex (oil refiner), H20 Retailing (retail), Daiwa Industries (restaurant refrigeration) and Forum Engineering (human resource provider). The Fund endured notable success within the construction (Toda Corp) and securities (Jafco) industries.

Sector allocation was also negative, with the Fund's largely market neutral beta not providing the downside protection that it has in past recessions due to the unprecedented economic restrictions enforced. Positive contributions from underweight positions in underperforming land transport and food failed to offset the negative impact from an underweight position in technology.

Market review

In January 2020, few investors were aware of a regional virus from Wuhan, and even fewer would have predicted it to become the cause of such unprecedented market volatility globally. The year began in the final phases of a global economic expansion and although many investors were preparing for a softening in global demand, nobody expected the global economy to grind to an immediate stop within the first quarter as governments acted to stop the spread of coronavirus.

Global markets quickly adjusted for the revised economic outlook, with the majority of market declines occurring in March in what was the quickest bear market in history. It was also, however, the shortest bear market with record levels of fiscal and monetary easing leading to a market recovery occurring in the second quarter of 2020. Market levels were at record levels by the end of 2020 although, in general, the market recovery has been extremely narrow with many industries still out of favour with investors. One clear trend has been the shift from value investing to growth, with technology-related shares rerating due to their perceived immunity to the lockdown measures.

In Japan, the measures introduced to control the spread of COVID-19 have been much more lenient than the strict lockdown measures seen throughout the western world. In general, the domestic economy has been largely operating as normal with the largest impact being felt by the more cyclical exporters. The COVID-19 situation in Japan again deteriorated towards the end of the calendar year with cases increasing, but the situation remains significantly better than elsewhere and any controls to control the spread will be modest in comparison.

In recent years, a key focus for shareholders in Japan has been the recent corporate reform measures which, among other things, are targeting increased shareholder returns, better capital allocation and a realigning of shareholder and management interests. While there was a slight pause in these developments during the initial part of the pandemic, it was encouraging to see companies again focusing on these matters towards the end of the year.

Investment Manager's Report continued

For the financial year ended 31 December 2020

Japan Value Fund continued

Fund activity

Portfolio activity was concentrated into the second quarter of 2020 once the full extent of the pandemic was fully understood. We looked to reduce exposure to industries that will have a longer-term negative impact from the COVID-19 pandemic. Funds were reinvested into areas where there is a mismatch between the quality of the underlying business and the share price performance. At the margin, the Fund has been able to use the volatility in prices to gain exposure to higher quality businesses while also retaining the same level of value.

In the second half of the year, with vaccine approvals on the horizon, the Fund took the opportunity to invest in businesses where there has been a slightly larger COVID-19 impact in the short term, with the view that these businesses will see a greater recovery with the expected normalisation. Much of this activity was conducted in October once the vaccine approval became more clear post Phase 3 trials. Some of the more recent portfolio purchases include:

SK Kaken: a new position was taken in SK Kaken, a leading manufacturer of construction paint, on share price weakness. The cash generative nature of the business and the significant room for improving balance sheet efficiency attracted us to the company despite the short-term negative impact from COVID-19 to operating performance this year. The shares currently trade on approximately 2x ex-cash normalised earnings.

Suntory Beverage & Food: a combination of an improving balance sheet and a significant valuation derating led us to initiate a holding in Suntory Beverage & Food. The company has consistently generated positive free cashflow and with the balance sheet likely to move to a net cash position over the next 12 months, we believe management are in a strong position to conduct acquisitions and/or expand shareholder returns going forward. As a listed subsidiary of Suntory Holdings, there is also potential for a change in the wider corporate group structure given the growing negative sentiment towards listed subsidiaries in Japan.

Mitsubishi UFJ Lease & Finance (MUFJ Lease): we elected to return to MUFJ Lease given substantial share price underperformance following our sale of the shares in March 2020. The shares have suffered from concerns regarding the impact of COVID-19 on the business, particularly with regards their aviation leasing division. However, our understanding is business conditions are better than management originally expected and the recently announced merger with Hitachi Capital will further diversify the risk from its aviation division. Ultimately, we suspect the merger will lead to a change in major shareholders at the combined group with Hitachi likely to reduce its holding while Mitsubishi takes on a larger role in the business.

Nikon: having monitored developments at Nikon from the sidelines for a substantial period of time we finally decided to purchase a holding as we believe the current market valuation underestimates the probability of a takeover approach for the business or a more drastic restructuring plan from management. The severe downtrend in digital camera sales and the shift to mirrorless technology in recent years have inflicted a heavy toll on the key imaging segment, however we believe the company's balance sheet and earnings from other divisions will afford management time to reverse the downward spiral in corporate value.

Aeon Delight: a new position was taken in Aeon Delight following a recent company interview. Aeon Delight provides cleaning, security and maintenance services for buildings with a notable reliance on parent company Aeon's retail facilities. Fortunately, the bias to Aeon proved helpful this year as supermarkets remained open throughout the state of emergency. Despite the modest impact on operations from COVID-19, the share price has materially underperformed year-to-date which we believe offers an attractive medium-term entry point.

The team conducted multiple meetings with the majority of the portfolio holdings throughout 2020 and the overwhelming impression is there remains a large degree of divergence between the relatively small, long-term impact of COVID-19 on their businesses versus the significant effect on their short-term share price. Therefore, we believe there is scope for a substantial rebound in both absolute and relative portfolio performance going forward.

Outlook and strategy

Entering 2021, the outlook for further gains in global equities is more reliant on a recovery in earnings than central bank largesse given the swift recovery in equity prices from March's lows has led to a considerable rerating of the price/earnings ratios. Undoubtedly, major central bank policy will remain supportive and tailwinds from fiscal measures will also prove helpful as vaccination programmes rollout over the course of the first half of the year.

However, as normalisation in economic activity takes hold in the second half of the year, it should become increasingly clear which companies' earnings will make a full recovery versus those permanently impaired from the pandemic which may offer substantial opportunities to generate alpha.

Japan has been relatively successful in containing the human cost of the pandemic although the economic cost has been similar to other major developed economies. It appears likely the greater Tokyo region will once again enter a state of emergency, a milder version of the lockdowns experienced in Europe, in January to try and control the growth in serious cases requiring hospitalisation. Japan is lagging in terms of its vaccine approval timetable which could mean normalisation of activity is somewhat slower than the US and Europe. It is imperative for Prime Minister Suga to ensure a smooth recovery from the pandemic in Japan given the need to win the LDP party leadership election and general election in 2021.

Reviewing the current portfolio versus the portfolio at the start of 2020, a higher- than- normal level of turnover focused initially on identifying and exiting shares permanently damaged by the COVID-19 outbreak. For much of the rest of the year, turnover activity shifted towards taking advantage of the opportunity to improve the quality of the portfolio while maintaining its value attributes given the large dislocation in equity markets. At a sector level, this led to a material increase in exposure to information and communication stocks and, within financials, a preference for non-life insurers at the expense of banks.

The core theme behind the portfolio, the upside optionality provided by improving corporate governance to unlock the deep value available in the Japanese equity market, will remain in the spotlight in 2021 with a revised corporate governance code and the reorganisation of the Tokyo Stock Exchange market structures acting as catalysts for change. The Fund continues to offer investors significant gearing to corporate governance reform in Japan but also provides a geared play on economic normalisation over the next 12 months. 2020 was a very difficult year to be a value investor but the outlook for portfolio returns in 2021 look much brighter at the turn of the year.

Japan Team

Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

North American Fund

Fund performance

The Fund returned 15.2% (Class I US Dollar Distribution Shares) over 2020 which compared with 20% for the MSCI North America (Net Total Return) Index.

The dominant factor impacting performance across pretty much the entire year was the COVID-19 pandemic which caused significant relative underperformance from March through September, particularly in March, given the Fund's exposure to sectors of the economy that were the most impacted by the pandemic. While the Fund's exposure to travel, energy and consumer credit was understandably costly, the portfolio also suffered from exposure to positions that would have offered more resilience had the cause of the economic contraction been more vanilla in nature. For instance, we reasonably would not have expected two of the worst detractors from relative performance last year in a more normal economic downturn to be drawn from either the food distribution (US Foods Holding) or insurance industries (Arch Capital).

While pandemic fears shaped much of the performance drag the Fund suffered for the first nine months of the year, the positive vaccine news from Pfizer announced in November marked an important step in the path towards a more normalised environment and led to the notable outperformance of many stocks that had lagged. Businesses which faced stiff, near-term operational headwinds and whose valuations had been extremely depressed as a result, on a longer-term perspective performed exceptionally in Q4, and it was pleasing to see our conviction in recovery rewarded with robust outperformance.

Nevertheless, such was the extent of the performance headwind accumulated prior to that point that the Fund was unable to claw back all its relative losses. The stocks that underperformed the most during 2020 were all drawn from those sectors of the economy that were the most impacted by the pandemic. These include Spirit Airlines, the low-cost airline; US Foods Holding, a food distributor to restaurants and catering facilities; Canadian Natural Resources, the oil producer; Citigroup, the bank; and Arch Capital, the insurer.

In addition, despite meaningful underperformance from these names, the top two detractors for the year to relative performance were Apple and Tesla which were not held in the fund. As you know, the Fund has a high active share and it is not our approach to focus our efforts on companies that happen to be a large part of the benchmark. Nonetheless it is unusual and remarkable that 2020 was the second year in a row when not owning a couple of stocks was more damaging to relative performance than the drag from any individual active position.

On the positive side, performance in 2020 benefitted from stocks that have been held in the portfolio for some time (Amazon, Booz Allen Hamilton, Qualcomm and Dolby Laboratories, for instance) as well as a number of new positions purchased opportunistically during the year (Envista Holdings, InterActive Corp, Stitch Fix and Samsonite International). While we do not seek instant gratification, it is nonetheless encouraging that stocks added to the portfolio in 2020 have been meaningful positive contributors to performance. Furthermore, we are encouraged by the performance contribution of our new purchases over the past two and a half years following a more challenging period for new additions to the Fund in the previous 18 months.

Market review

Perhaps the greatest surprise of 2020 was the resilience of stock markets globally in the context of the largest shock to economic growth since the Great Depression and the highest rate of unemployment on record. There are several likely reasons for this. First, the unprecedented – both in terms of size and speed – fiscal and monetary stimulus appeased concerns of a spiral into a deflationary depression helped reduce corporate and household borrowing costs, prevented many bankruptcies and helped foster a powerful incentive for employers to re-hire.

Next, there has been a natural progression towards normality following the peak period of COVID-19-related disruption. On top of that, most businesses have shown impressive adaptability to a very difficult situation. Finally, investors have been prepared to look through near-term earnings issues for many businesses. In the short term, the recovery in S&P 500 earnings from a 32% decline in the second quarter to a remarkably minimal 7% in the third appears to justify this. However, on a longer-term footing, this is rational – only a very small part of the value of any durable business is made up of the next year's or next quarter's potential cash flows.

Another feature of 2020 was that the high valuation multiples paid for growth became even more extended as COVID-19 helped accelerate the strong demand that certain sectors of the market had already been seeing. The premium valuation awarded to the top decile of companies as measured by earnings growth reached the highest level seen in the past 70 years during the second quarter, according to Empirical Research Partners. While the vaccine announcements in Q4 helped partially reverse this, valuation spreads still appear extended.

2020 highlighted perfectly the persistent difficulty of anticipating stock market movements on the back of an assessment of macro conditions. Without making predictions or forecasts, we nonetheless think there is a high probability that broader factors influencing North American equities, not just over the next year but the next few years, could be very different to the past few.

For example, the past few years have been influenced either by fear of a deep recession (due, perhaps, to the previous recession being an extraordinary one in the form of the global financial crisis) or by experiencing the deepest one we have seen in our lifetimes as the COVID-19 pandemic stalled so much economic activity. It seems much more likely than not that the next few years will be influenced by broad economic recovery from this deep recession.

Another example is inflation. There has been scant evidence of inflation in the economy for the past decade. However, the extent of monetary and fiscal stimulus as well as a potential longer-lasting change in policy at the Fed as the economy normalises, all set against a background of stalling globalisation, has increased the potential for resurgent inflation. Economic headwinds and disinflation, as well as a strong dollar, have been headwinds for profit growth for many businesses in recent years. If reversed, we could see tailwinds to growth for a broader swathe of companies in the market and a resultant reappraisal of their prospects and valuations.

Fund activity

The Fund ended the year with 48 stocks, the same as it ended 2019. However, this masked a notable step up in turnover during 2020. As it became more apparent that COVID-19 would have ramifications for company fundamentals, we performed extensive analysis of the stocks most impacted, many of whose valuations reflected a prolonged period of impaired demand. We sold positions where we felt the answer to the 'What is temporary and what is permanent?' question left us with sufficient doubts about a company's ability to recover without a lasting impairment to equity. We retained positions whose long-term prospects we felt were not impaired, in companies that had an appropriate financial position to see them through the depths of the crisis. We also added to a number of holdings we felt would eventually benefit competitively from the downturn and become stronger businesses on the other side.

There were a number of new stocks added to the portfolio from a variety of different industries. For a more detailed write-up of the rationale of some of these key buys and sells, please see the quarterly updates published on our website.

Market outlook

We are encouraged by the return to better performance for the Fund during the final quarter of the year. This has been helped in part, although not exclusively, by the strong performance of stocks that were extremely cheap on a long-term basis due to short-term operational headwinds caused by the COVID-19 pandemic. We are also encouraged by the strong performance of stocks entering the portfolio in recent years and the number of attractive opportunities we are still identifying.

We continue to see many ways to do well in the portfolio, with opportunities ranging from businesses with continued recovery potential and bright longer-term prospects, to attractively valued companies compounding their free cashflows at appealing rates, as well as those companies with high growth prospects that are trading at reasonable normalised valuations. Compared to the investment universe, we believe the portfolio exhibits superior long-term growth potential, a more attractive valuation and more attractive fundamentals in the form of better cashflow conversion, margins and balance sheets.

As stated earlier, the past few years have been influenced either by fear of a deep recession or by experiencing the deepest one we have seen in our lifetimes as the pandemic stalled so much economic activity. It seems much more likely than not that the next few years will be influenced by broad economic recovery from this deep recession. We are confident given its attractive long-term value creation potential and valuation that the portfolio is well placed to prosper.

North American Team
Polar Capital LLP

January 2021

Investment Manager's Report continued

For the financial year ended 31 December 2020

UK Absolute Equity Fund

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

Polar Capital LLP

January 2021

UK Value Opportunities Fund

Fund performance

The Fund returned -7.7% (GBP I Accumulation Share Class) in 2020 compared to -9.5% (in sterling terms) for the FTSE All Share Total return. Since inception, the Fund has returned 21.9% (GBP I Accumulation Share Class) compared to 10.1% (in sterling terms) for the benchmark.

The global spread of COVID-19 led to the sharpest global stock market crash on record in March 2020. The unprecedented lockdown of Wuhan set the tone for similar measures by other governments around the world with repeated national and local lockdowns that have also brought about the most significant drop in economic activity on record. Stylistically, this was an extremely challenging time for the Fund. As typically happens in times of fear and uncertainty, investors fled to the safest rather than the cheapest earnings. This drove significant underperformance in value shares with cheaper shares materially underperforming the most expensive and the dispersion between growth and value P/Es reaching extreme levels. In addition, the small-cap discount blew out and domestic shares were particularly hard hit as it became apparent that the economic and health toll on the UK was one of the highest in the world.

During this exceptionally challenging period for the Fund and our investors, we stuck rigorously to our fundamental value-based approach. We exited shares that failed our process under the new conditions, we backed those that continued to pass and took advantage of several new opportunities that arose in the teeth of the crisis. The preconditions for value to perform gradually crept back over the year. This began with unparalleled fiscal stimulus averting the most severe economic damage, followed by earnings expectations reaching realistic levels in early summer and companies returning to guidance, and in many cases the dividend list, in late summer. The key turning point came in November with the first vaccine being approved. Further good news landed on Christmas Eve with a Brexit deal averting the downside of a no-deal. Greater economic certainty led to stylistic tailwinds in Q4 as value, domestic and small-cap shares outperformed. This partially reversed the trends for the year and was enough to put the Fund ahead on a relative basis but frustratingly down on the year in absolute terms.

Over the course of the year the FTSE 250 (-6.4%) and Small Cap (4.5%) index outperformed the FTSE 100 (-14.3%). This was a beneficial backdrop for a multi-cap fund.

The strongest overall sector performance came from financials, materials, healthcare and information technology. All bar materials were driven by positive stock selection. On the negative side, consumer discretionary, industrials, communication services and real estate were our largest detractors. The first two sectors are those hit hardest by the pandemic, including travel and leisure shares.

At a stock level, the best contributors were Watches of Switzerland, Hikma Pharmaceuticals, Computacenter, Royal Sun Alliance Insurance Group and Gamesys Group. The diverse nature of these shares is a testament to our bottom-up approach. Hikma Pharmaceuticals, Computacenter and Gamesys Group were relative beneficiaries of COVID-19; Watches of Switzerland has emerged as a winner in the pandemic; Royal Sun Alliance Insurance Group was bid for in November at over a 50% premium.

The largest detractors to performance were SSP Group, International Consolidated Airlines, WH Smith, James Fisher & Sons and C&C Group. These were all hard hit by the pandemic. The first three crucially are exposed to longer-term structural changes that have been brought about including more flexibility to work from home and lower corporate travel. C&C Group failed our safety check following the advent of the pandemic. We have exited these four shares in full but continue to hold James Fisher & Sons whose long-term end market is unchanged in our opinion.

Market review

We assess the period on our three investment criteria: valuation, sustainability of returns and financial soundness.

The global spread of COVID-19 precipitated significant underperformance of cheap value shares. As typically happens in times of fear and uncertainty, investors fled to the safest rather than the cheapest earnings. This led to the dispersion between growth and value P/Es reaching extreme levels. For investors to re-focus on P/Es they needed faith in the earnings numbers. One requirement is economic recovery but analyst estimates, company guidance and dividends are important components too. By early summer consensus analyst estimates settled on a return to 2019 profits in 2022, one year early if reasonably unaffected and one year later if in the eye of the storm. These seemed sensible to us and the beginning of numbers than investors could hang their hat on. Indeed, since then on average estimates have been upgraded. Management teams restarted company guidance significantly later than in previous financial crises, however most had returned by the autumn. This was accompanied by the reinstatement of dividends signalling higher conviction in the returns outlook. The key turning point came in November with the first of three vaccines to be approved this year. Enhanced confidence in economic activity was helpful for conviction in earnings and thus P/E valuations, with cheaper shares materially outperforming in Q4.

Investment Manager's Report continued

For the financial year ended 31 December 2020

UK Value Opportunities Fund continued

Market review continued

The second part of the process has proved particularly challenging. Our sustainability of returns criteria is not about one-year profit forecasts but the medium to long-term ability to grow returns on invested capital. COVID-19 has brought forward several years of structural change favouring companies exposed to shifts online. However, there are plenty of companies that can take share and enhance their margins as we emerge from the COVID-19 crisis and these offer exciting opportunities. While some of these companies, such as Watches of Switzerland and Grafton Group, are already back to peak monthly profits, others, including On the Beach Group and Rank Group, remain shut but will reap the benefits in years to come. On the flip side, lower corporate travel and more flexible working are likely to be persistent societal changes where long-term profits are more meaningfully dented.

The power of the safety check was initially muddied by unprecedented government stimulus that effectively shielded the majority of companies from the worst affects of the crisis. Furlough support and cost holidays materially mitigated cash burn and government-backed debt was readily available at exceptionally low rates to companies of all sizes. The premise of the safety check is to ensure that companies can fund themselves from internally generated cash reducing the chances of bankruptcy, rights issues and dividend cuts. With freely available government support and enforced dividend cuts, the power of the safety check was mitigated to an extent. Despite this, the safety check did prove a useful tool as the Fund started from a position of lower leverage and continues to be on a very firm financial footing. The safety check proved increasingly powerful towards the end of the year as those with lower leverage were able to seize the opportunities that arose and take share from those with higher levels of debt. It has also enabled the payback of government funds and the associated return to the dividend list.

Fund activity

The advantage of our dynamic, proprietary model database is that when market conditions change, it can highlight shares that pass our process which we do not already own. This was a valuable tool in the crisis and enabled us to seize a number of opportunities throughout the year. Many purchases have added considerable value to the Fund. These include Wizz Air Holdings, Marks and Spencer Group, Young's, Spirent Communications, B&M, Premier Foods and Stock Spirits Group.

We continually monitor our holdings for adherence with our three investment criteria and if any is breached, we exit the shares. We only exited two shares that failed our third criteria subsequent to the advent of the pandemic given low indebtedness going into the crisis. These were Vistry Group and C&C Group. As the year progressed, it became increasingly apparent that COVID-19 has brought forward several years of structural change and we needed to be mindful that our shares passed our second criteria and had improving returns under these conditions.

To that end we exited shares exposed to corporate travel and working from home, including British Airways, WH Smith and SSP Group. In the second half of the year, as the market rallied, we sold a number of shares that hit target price. These have proved great friends to the Fund including Wizz Air Holdings, Avon Rubber and Gamesys Group. In addition, we sold RSA Insurance Group that was bid for in November.

Market outlook

Looking again through the lens of our process, in valuation terms while cheaper shares did better in Q4 than more expensive shares, this only partially reversed the outperformance of the latter in 2020. The valuation differential remains stretched. In addition, domestic earners stand at a discount of over 10% to international earners in the market. Within the Fund itself, this difference is more marked at over 20%, in part due to small-cap exposure and in part the ability to cherry-pick shares with cheap valuations. Avoiding a no-deal Brexit removes the most severe downside risk and should lead to a narrowing of this discount. A key driver is likely to be asset allocation back towards the UK given that the near-record UK underweight is no longer warranted. In addition, we anticipate that M&A, which has had a noticeable pickup in recent months, is likely to continue while this valuation discount is on offer.

The outlook for the sustainability of returns has significantly improved since the approval of multiple vaccines. The UK is in a particularly advantageous position with the highest vaccine orders per head of almost any country. In addition, uncertainty over a no-deal Brexit has just been removed which should help unleash the war chest of savings that UK consumers have accumulated. Set against this, lockdowns are set to be extremely restrictive in Q1, unemployment will rise, corporate insolvencies accelerate and corporate investment will remain subdued due to elevated leverage.

We believe the lower financial leverage of our companies will stand them in good stead to take share from excessively geared counterparts. It will enable them to invest in their businesses, return to the dividend list and in time pounce on attractive acquisition opportunities.

While the UK has been a tricky place to invest in the past four years, we believe that the avoidance of a no-deal Brexit, stability of politics and good access to vaccines will make it more attractive in the coming years especially in the light of an attractive valuation starting point. We will stick to our knitting, investing in companies that will emerge strongly from the COVID-19 crisis that are currently underestimated or overlooked.

UK Value Team

Polar Capital LLP

January 2021

Report of the Directors

For the financial year ended 31 December 2020

The Directors of Polar Capital Funds plc (the 'Company') have pleasure in submitting their Annual Report and Audited Financial Statements for the financial year ended 31 December 2020 to the Shareholders.

Directors Responsibilities Statement

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

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

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which: correctly explain and record the transactions of the Company; enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; enable the financial statements and Directors' report to comply with the Companies Act 2014 and with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the 'UCITS Regulations') and Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (the 'Central Bank UCITS Regulations') and the Listing Rules of Euronext Dublin; and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In this regard, Northern Trust International Fund Administration Services (Ireland) Limited (the 'Administrator') has been appointed for the purpose of maintaining adequate accounting records and Northern Trust Fiduciary Services (Ireland) Limited (the 'Depositary') has been appointed for the purpose of safeguarding the assets of the Company.

Basis of Presentation

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

Directors' Statement on adequate accounting records

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

Business Review and Future Developments

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

During the financial year ended 31 December 2020:

- The UK Absolute Equity Fund was fully redeemed on 15 May 2020.
- The Healthcare Discovery Fund was launched on 31 January 2020.

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

A detailed review of the Company's activities for the financial year ended 31 December 2020 is included in the Investment Manager's Reports.

Risk Management Objectives and Policies

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

Report of the Directors continued

For the financial year ended 31 December 2020

Directors' Interests in Shares of the Company

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

Transactions with Connected Persons

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

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

Distributions

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

Corporate Governance Statement

The Company is subject to corporate governance practices imposed by:

(i) The Memorandum and Articles of Association of the Company;

(ii) The Companies Act 2014;

(iii) The UCITS Regulations;

(iv) The Euronext Dublin Code of Listing Requirements and Procedures, copies of which are all available for inspection at the Company's registered office at Georges Court, 54–62 Townsend Street, Dublin 2.

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

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

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

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

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

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

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

The minimum required number of Directors is two, which is also the minimum number of Directors required for a meeting to take place. Currently there are six non-executive Directors, five of whom are independent of the Investment Manager. The Directors are listed on Page 380.

Diversity Statement

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

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

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

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

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

Twenty one days' notice at least of every meeting shall be given to Shareholders in the manner provided in the Memorandum and Articles of Association. At any meeting any matter put to a vote shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman or by one or more Shareholders present in person or by proxy and holding or representing one-twentieth of the number of shares for the time being in issue.

Unless a poll is so demanded, a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

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

Results

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

Significant Events during the financial year

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

Subsequent Events

The significant events since the financial year end date are detailed in Note 18.

UCITS Remuneration Report

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

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

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

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

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

Report of the Directors continued

For the financial year ended 31 December 2020

Brexit and Associated Risks

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

Audit Committee

During the financial year ended 31 December 2020 the Company did not have an audit committee in place. The Board has decided not to establish an audit committee as this was deemed most appropriate to the Company's structure as a UCITS fund and the nature, scale and complexity of the Company's operations at this time.

Statement on Relevant Audit Information

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

Independent Auditor

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

On behalf of the Board

David Hammond **Karen Nolan**

Directors

13 April 2021

Report of the Depositary to the Shareholders

For the financial year ended 31 December 2020

We, Northern Trust Fiduciary Services (Ireland) Limited, appointed Depositary to Polar Capital Funds plc ('the Fund') provide this report solely in favour of the shareholders of the Fund for the year ended 31 December 2020 ('the Annual Accounting Period'). This report is provided in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No 352 of 2011), as amended, which implemented Directive 2009/65/EU into Irish Law ('the Regulations'). We do not, in the provision of this report, accept nor assume responsibility for any other purpose or person to whom this report is shown.

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

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

(i) in accordance with the limitations imposed on the investment and borrowing powers of the Fund by the constitutional documents and by the Regulations; and

(ii) otherwise in accordance with the provisions of the constitutional document and the Regulations.

For and on behalf of

Northern Trust Fiduciary Services (Ireland) Limited
Georges Court
54–62 Townsend Street
Dublin 2

13 April 2021

Independent Auditor's Report

to the Shareholders of Polar Capital Funds plc

Report on the audit of the financial statements

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

In our opinion the financial statements:

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

The financial statements we have audited comprise:

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

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

Basis for opinion

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

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Accounting and Auditing Supervisory Authority, as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year were: • Valuation of Financial Assets and Liabilities at Fair Value Through Profit or Loss • Existence of Financial Assets and Liabilities at Fair Value Through Profit or Loss • Accuracy of Performance Fees
Materiality	The materiality that we used in the current year was 1% of average net assets for each sub-fund.
Scoping	Our audit is a risk based approach taking into account the structure of the Company, types of investments, the involvement of the third party service providers, the accounting processes and controls in place and the industry in which the Company operates.
Significant changes in our approach	There have been no significant changes in our approach from our prior year audit.

Conclusions relating to going concern

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

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

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

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current financial year and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of Transferable Securities and Financial Derivative Instruments	
Key audit matter description	The valuation of transferable securities and financial derivative instruments are considered a key audit matter as they represents a significant balance on the Statement of Financial Position. There is a risk that transferable securities and financial derivative instruments are valued incorrectly, inappropriate valuation methodology applied and the use of inappropriate assumptions could result in the valuation being materially misstated. Refer also to Note 2 and 10 in the financial statements.
How the scope of our audit responded to the key audit matter	We have performed the following audit procedures to address the key audit matter: • We obtained an understanding and evaluated the key controls that have been implemented over the valuation process for transferable securities and financial derivative instruments. • We obtained the Northern Trust Fund Administration Services (Ireland) Limited (the 'Administrator') SOC 1 Report and identified the key controls in place over the valuation process and reviewed those key controls for any exceptions. • We compared the prices of equities, warrants, contracts for difference, bonds, futures and forward foreign exchange contracts in the investment portfolio at year end to prices published by independent pricing sources.

Independent Auditor's Report continued

to the Shareholders of Polar Capital Funds plc

Existence of Transferable Securities and Financial Derivative Instruments	
Key audit matter description	The existence of transferable securities and financial derivative instruments are considered a key audit matter as they represents a significant balance on the Statement of Financial Position. There is a risk that transferable securities and financial derivative instruments do not exist. Refer also to Note 2 and 10 in the financial statements.
How the scope of our audit responded to the key audit matter	We have performed the following audit procedures to address the key audit matter: • We obtained an understanding and evaluated the key controls that have been implemented over the reconciliation process for existence from the Administrator to the depositary and counterparties. • We obtained the Administrator's SOC 1 Report and identified the key controls in place over the reconciliation process and reviewed those key controls for any exceptions. • We obtained independent confirmations from the depositary and counterparties at the financial year-end and agreed the amounts held to the investment portfolio. • We tested a sample of reconciling trades to ensure that they have been recorded in the correct period including a review of a sample of unsettled trades.

Performance Fees	
Key audit matter description	The performance fee crystallises on an annual basis. The accuracy of performance fees are considered a key audit matter because the performance fee is a related party transaction and a significant expense in the Statement of Comprehensive Income. There is a risk that performance fee is not calculated correctly in accordance with the prospectus and input used in the calculation is incorrect. Refer also to Note 3 in the financial statements.
How the scope of our audit responded to the key audit matter	We have performed the following audit procedures to address the key audit matter: • We obtained an understanding and assessed the design of the key controls over the calculation and approval of the performance fees. • We reviewed the prospectus of the Company to understand the calculation methodology. • We reviewed the inputs used in the performance fee calculation to ensure compliance with the prospectus. • We recalculated performance fees in accordance with the prospectus and compared to recorded performance fee to ensure accuracy.

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

Our application of materiality

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

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

We agreed with the Directors that we would report to them any audit differences in excess of 5% of materiality, as well as differences below that threshold which, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

Our audit is a risk based approach taking into account the structure of the Company, types of investments, the involvement of the third party service providers, the accounting processes and controls in place and the industry in which the Company operates. The Company is incorporated as an open-ended investment Company with variable capital and is organised under the laws of Ireland as a public limited company pursuant to the Irish Companies Act, 2014. The Company is authorised by the Central Bank of Ireland (the 'Central Bank') as a UCITS (Undertaking for Collective Investment in Transferable Securities) pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (as amended). The Company is organised as an umbrella fund with segregated liability between sub-funds. The redeemable participating shares of the sub-funds are listed on the Irish Stock Exchange (the 'ISE'). At 31 December 2020, the Company had twenty active sub-funds. We assess the risks of each sub-fund separately. We have conducted our audit based on the books and records maintained by the administrator Northern Trust Fund Administration Services (Ireland) Limited, Georges Court, 54–62 Townsend Street, Dublin 2, Ireland.

Other information

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

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report continued

to the Shareholders of Polar Capital Funds plc

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

For listed entities and public interest entities, the auditor also provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence, including the Ethical Standard for Auditors (Ireland) 2016, and communicates with them all relationships and other matters that may reasonably be thought to bear on the auditor's independence, and where applicable, related safeguards.

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

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

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

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

Corporate Governance Statement required by the Companies Act 2014

We report, in relation to information given in the Corporate Governance Statement on page 62 that:

- In our opinion, based on the work undertaken during the course of the audit, the information given in the Corporate Governance Statement pursuant to subsections 2(c) and (d) of section 1373 of the Companies Act 2014 is consistent with the Company's statutory financial statements in respect of the financial year concerned and such information has been prepared in accordance with the Companies Act 2014. Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in this information.
- In our opinion, based on the work undertaken during the course of the audit, the Corporate Governance Statement contains the information required by Regulation 6(2) of the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017 (as amended); and
- In our opinion, based on the work undertaken during the course of the audit, the information required pursuant to section 1373(2)(a),(b),(e) and (f) of the Companies Act 2014 is contained in the Corporate Governance Statement.

Matters on which we are required to report by exception

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

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

The Listing Rules of the Euronext Dublin require us to review six specified elements of disclosures in the report to shareholders by the Board of Directors' remuneration committee. We have nothing to report in this regard.

Other matters which we are required to address

We were appointed by the Directors on 22 October 2014 to audit the financial statements for the financial year date 31 December 2014 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is six years, covering the years ending 31 December 2014 to 31 December 2020.

The non-audit services prohibited by IAASA's Ethical Standard were not provided and we remained independent of the Company in conducting the audit.

Use of our report

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

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

13 April 2021

Portfolio Statements

As at 31 December 2020

Asian Opportunities Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 95.92% (2019: 95.92%)		
	Australia: 0.94% (2019: Nil)		
736	Macquarie	78,892	0.94
	Total Australia	78,892	0.94
	Cayman Islands: 11.69% (2019: 18.26%)		
11,068	Alibaba	332,074	3.96
34,569	Chailease	206,691	2.47
18,000	Longfor	105,410	1.26
4,600	Tencent	334,651	4.00
	Total Cayman Islands	978,826	11.69
	Hong Kong: 10.05% (2019: 9.61%)		
38,100	AIA	466,879	5.58
29,500	BOC Hong Kong	89,422	1.07
5,200	Hong Kong Exchanges & Clearing	285,067	3.40
	Total Hong Kong	841,368	10.05
	India: 22.76% (2019: 21.19%)		
29,516	Axis Bank	250,634	2.99
4,399	Bajaj Finance	318,795	3.81
7,415	HDFC Bank ADR	533,880	6.38
10,034	HDFC Life Insurance	92,900	1.11
10,150	Housing Development Finance	355,429	4.25
6,657	Kotak Mahindra Bank	181,814	2.17
75,916	Manappuram Finance	171,952	2.05
	Total India	1,905,404	22.76
	Indonesia: 7.46% (2019: 8.82%)		
169,300	Bank Central Asia	407,886	4.87
729,300	Bank Rakyat Indonesia Persero	216,454	2.59
	Total Indonesia	624,340	7.46
	Malaysia: 1.40% (2019: 2.89%)		
22,900	Public Bank	117,275	1.40
	Total Malaysia	117,275	1.40
	Pakistan: 0.84% (2019: Nil)		
60,265	MCB Bank	70,787	0.84
	Total Pakistan	70,787	0.84

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 95.92% (2019: 95.92%) continued		
	People's Republic of China: 10.34% (2019: 6.23%)		
408,296	China Construction Bank	310,203	3.71
39,000	China Merchants Bank	246,500	2.94
25,200	Ping An Insurance Group of China	308,802	3.69
	Total People's Republic of China	865,505	10.34
	Philippines: 4.90% (2019: 6.08%)		
113,000	Ayala Land	96,238	1.15
109,520	Bank of the Philippine Islands	185,523	2.21
46,070	Security Bank	128,549	1.54
	Total Philippines	410,310	4.90
	Republic of South Korea: 7.33% (2019: 6.20%)		
198	Kakao	70,994	0.85
1,091	KIWOOM Securities	127,047	1.52
414	NAVER	111,475	1.33
4,075	Samsung Electronics	303,853	3.63
	Total Republic of South Korea	613,369	7.33
	Singapore: 3.56% (2019: 3.93%)		
76,571	Keppel DC REIT	162,831	1.94
17,800	Oversea-Chinese Banking	135,514	1.62
	Total Singapore	298,345	3.56
	Taiwan: 7.48% (2019: 7.29%)		
217,242	E.Sun Financial Class C	197,542	2.36
500	Largan Precision	56,855	0.68
19,700	Taiwan Semiconductor Manufacturing	371,592	4.44
	Total Taiwan	625,989	7.48
	Thailand: 5.16% (2019: 5.42%)		
37,300	Kasikornbank	140,684	1.68
70,329	Srisawad PCL	154,344	1.85
46,000	Tisco Financial	135,881	1.62
1,913	Srisawad	645	0.01
	Total Thailand	431,554	5.16
	United Kingdom: 0.93% (2019: Nil)		
14,800	HSBC	77,794	0.93
	Total United Kingdom	77,794	0.93

Portfolio Statements continued

As at 31 December 2020

Asian Opportunities Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 95.92% (2019: 95.92%) continued		
	Vietnam: 1.08% (2019: Nil)		
21,430	Bank for Foreign Trade of Vietnam	90,891	1.08
	Total Vietnam	90,891	1.08
	Total Equities	8,030,649	95.92
	Total Transferable Securities	8,030,649	95.92

Open Forward Currency Contracts: 0.07% (2019: 0.03%)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
USD 236,246	GBP 177,203	1.3332	29/01/2021	5,646	0.07
USD 106,415	EUR 86,994	1.2233	29/01/2021	423	–
USD 11,474	GBP 8,436	1.3601	29/01/2021	42	–
Total unrealised gain on forward foreign currency contracts				6,111	0.07
Total Financial Assets at fair value through profit or loss				8,036,760	95.99

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
USD 5,795	EUR 4,714	1.2294	29/01/2021	(6)	–
Total unrealised loss on forward foreign currency contracts				(6)	–
Total Financial Liabilities at fair value through profit or loss				(6)	–

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: US$ 5,571,812)	8,036,754	95.99
Cash at Bank	430,296	5.14
Other Net Liabilities	(94,687)	(1.13)
Net Assets Attributable to Holders of Redeemable Participating Shares	8,372,363	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	94.78	95.14
OTC financial derivative instruments	0.07	0.03
Other assets	5.15	7.10
	100.00	100.00

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

Asian Stars Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 99.46% (2019: 99.45%)		
	Australia: Nil (2019: 1.40%)	–	–
	Bermuda: 1.25% (2019: 1.02%)		
74,000	Alibaba Health Information Technology	218,549	1.25
	Total Bermuda	218,549	1.25
	Cayman Islands: 33.05% (2019: 27.24%)		
5,471	21Vianet ADR	189,789	1.09
2,006	51job ADR	140,420	0.80
3,739	Agora Inc	147,915	0.85
5,332	Alibaba ADR	1,240,916	7.11
2,745	Bilibili ADR	235,302	1.35
91,500	Binjiang Service	168,512	0.97
8,355	iQIYI ADR	146,045	0.84
998	JD Health International	19,307	0.11
6,773	JD.Com Inc	595,347	3.41
33,000	Longfor	193,220	1.11
13,200	Meituan Dianping Class B	501,521	2.87
32,041	Microport Scientific	173,349	0.99
3,880	NetEase ADR	371,588	2.13
1,971	Sea ADR	392,328	2.25
17,200	Tencent	1,251,095	7.17
	Total Cayman Islands	5,766,654	33.05
	Hong Kong: 3.06% (2019: 5.39%)		
43,600	AIA	534,186	3.06
	Total Hong Kong	534,186	3.06
	India: 14.11% (2019: 18.21%)		
9,596	Housing Development Finance	336,029	1.93
75,924	ICICI Bank	555,967	3.19
27,420	ICICI Prudential Life Insurance	187,203	1.07
3,177	Info Edge	206,875	1.18
44,749	Phoenix Mills	474,361	2.72
85,098	Prestige Estates Projects	309,913	1.78
14,369	Reliance Industries	390,417	2.24
	Total India	2,460,765	14.11
	People's Republic of China: 4.57% (2019: 4.51%)		
15,300	Glodon	185,437	1.06
50,000	Ping An Insurance	612,599	3.51
	Total People's Republic of China	798,036	4.57

Portfolio Statements continued

As at 31 December 2020

Asian Stars Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 99.46% (2019: 99.45%) continued		
	Philippines: Nil (2019: 0.85%)	–	–
	Republic of South Korea: 22.73% (2019: 16.49%)		
4,829	Daejoo Electronic Materials	206,487	1.18
1,366	Ecopro BM	213,897	1.22
6,466	ITM Semiconductor	338,687	1.94
2,673	KMW	198,574	1.14
2,465	Koh Young Technology	238,263	1.37
1,068	NAVER	287,572	1.65
21,457	Samsung Electronics	1,599,942	9.17
534	Samsung SDI	308,710	1.77
10,447	Seoul Viosys	185,128	1.06
3,561	SK Hynix	388,455	2.23
	Total Republic of South Korea	3,965,715	22.73
	Singapore: 1.08% (2019: 2.30%)		
853,900	Yoma Strategic	187,365	1.08
	Total Singapore	187,365	1.08
	Taiwan: 15.77% (2019: 16.54%)		
42,000	Chroma ATE	251,121	1.44
9,000	eMemory Technology	190,583	1.09
40,000	LandMark Optoelectronics	402,164	2.31
10,000	MediaTek	265,855	1.52
74,000	Taiwan Semiconductor Manufacturing	1,395,829	8.00
20,000	Win Semiconductors	246,281	1.41
	Total Taiwan	2,751,833	15.77
	Vietnam: 3.84% (2019: 5.50%)		
139,420	Vietnam Technological & Commercial Joint Stock Bank	190,262	1.09
186,500	Vincom Retail	253,703	1.46
58,240	Vinhomes	225,820	1.29
	Total Vietnam	669,785	3.84
	Total Equities	17,352,888	99.46
	Total Transferable Securities	17,352,888	99.46

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: US$ 12,828,034)	17,352,888	99.46
Cash at Bank	323,398	1.85
Other Net Liabilities	(228,691)	(1.31)
Net Assets Attributable to Holders of Redeemable Participating Shares	17,447,595	100.00

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	98.06	97.86
Other assets	1.94	2.14
	100.00	100.00

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

Portfolio Statements continued

As at 31 December 2020

Automation & Artificial Intelligence Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 96.73% (2019: 100.09%)		
	Basic Materials: 4.83% (2019: 2.20%)		
172,280	Covestro Class A	10,640,841	1.41
2,918	Givaudan	12,313,072	1.63
77,100	Shin-Etsu Chemical	13,471,684	1.79
	Total Basic Materials	36,425,597	4.83
	Communications: 13.14% (2019: 11.21%)		
19,950	Airbnb Class A	2,928,660	0.39
23,076	Alibaba ADR	5,370,477	0.71
9,495	Alphabet	16,641,317	2.21
7,764	Amazon.com	25,286,805	3.36
32,984	Delivery Hero SE	5,125,412	0.68
43,739	Facebook	11,947,745	1.59
26,788	Netflix Inc	14,485,075	1.92
156,223	Snap Inc	7,822,086	1.04
29,822	Spotify Technology	9,383,791	1.24
	Total Communications	98,991,368	13.14
	Consumer, Cyclical: 4.48% (2019: 3.57%)		
501,000	BYD Company Ltd	13,129,374	1.74
67,321	Dolby Laboratories	6,538,889	0.87
362,287	Brembo	4,787,384	0.64
39,800	Shimano Inc	9,284,546	1.23
	Total Consumer, Cyclical	33,740,193	4.48
	Consumer, Non-cyclical: 12.55% (2019: 15.18%)		
37,444	Avalara	6,174,141	0.82
105,793	Corbion	5,973,796	0.79
28,793	DexCom Inc	10,645,348	1.41
8,746	Intuitive Surgical	7,155,103	0.95
15,488	MarketAxess Holdings Inc	8,836,833	1.17
19,824	Masimo Corporation	5,320,365	0.71
246,322	Ocado	7,700,555	1.02
34,851	PayPal	8,162,104	1.08
16,418	Square Class	3,573,214	0.47
75,141	StoneCo Ltd	6,305,833	0.84
18,903	Thermo Fisher Scientific	8,804,639	1.17
45,501	UnitedHealth Group Inc	15,956,291	2.12
	Total Consumer, Non-cyclical	94,608,222	12.55

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 96.73% (2019: 100.09%) continued		
	Energy: 0.59% (2019: 0.61%)		
243,463	Ceres Power Holdings	4,392,983	0.59
	Total Energy	4,392,983	0.59
	Industrial: 27.70% (2019: 34.67%)		
251,000	AirTAC International	8,039,718	1.07
273,074	Atlas Copco	14,001,919	1.86
28,436	Axon Enterprise inc	3,484,263	0.46
93,637	Cognex	7,517,647	1.00
131,600	Daifuku	16,264,381	2.16
179,974	Emerson Electric	14,464,510	1.92
547,129	Epiroc	9,969,846	1.32
56,400	FANUC	13,853,494	1.84
216,750	Fuji Machine Manufacturing	5,695,605	0.76
88,450	Harmonic Drive Systems	7,898,775	1.05
117,400	Hoya	16,226,432	2.15
342,854	Ilika Plc	960,762	0.13
27,800	Keyence	15,617,221	2.07
26,970	Littelfuse	6,868,180	0.91
71,459	New Page Corporation	5,626,419	0.75
58,183	Rockwell Automation	14,592,878	1.94
66,274	Samsung Electro-Mechanics	10,859,589	1.44
106,067	Schneider Electric	15,352,771	2.04
237,300	Shima Seiki Manufacturing	4,015,333	0.53
942,339	Shin Zu Shing Co	4,443,731	0.59
85,800	TDK	12,914,253	1.71
	Total Industrial	208,667,727	27.70
	Technology: 33.44% (2019: 32.65%)		
193,452	Advanced Micro Devices	17,741,483	2.35
110,900	Advantest Corp	8,303,133	1.10
85,055	Analog Devices	12,565,175	1.67
21,789	Ansys	7,926,838	1.05
18,728	ASML	9,109,717	1.21
28,719	Blackline	3,830,540	0.51
42,506	Cerence	4,271,003	0.57
13,017	Dassault Systemes	2,646,263	0.35
244,000	eMemory Technology	5,166,916	0.69

Portfolio Statements continued

As at 31 December 2020

Automation & Artificial Intelligence Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 96.73% (2019: 100.09%) continued		
	Technology: 33.44% (2019: 32.65%) continued		
87,800	Hamamatsu Photonics	5,017,386	0.67
222,247	Infineon Technologies	8,535,893	1.13
34,918	IPG Photonics Corporation	7,814,299	1.04
209,332	Kulicke & Soffa Industries Inc	6,658,851	0.88
451,000	MediaTek	11,990,070	1.59
139,244	Microsoft	30,970,650	4.11
31,812	NVIDIA	16,612,226	2.21
104,488	Qualcomm	15,917,702	2.11
399,715	STMicroelectronics	14,809,079	1.97
22,660	Synopsys	5,874,378	0.78
1,098,000	Taiwan Semiconductor Manufacturing	20,711,083	2.75
44,624	Tokyo Electron	16,597,043	2.20
177,163	Veeco Instruments Inc	3,075,550	0.41
75,541	Xilinx	10,709,448	1.42
32,500	Yappli	1,825,754	0.24
115,400	Zuken	3,229,121	0.43
	Total Technology	251,909,601	33.44
	Total Equities	728,735,691	96.73
	Total Transferable Securities	728,735,691	96.73
	Total Value of Investments (Cost: US$ 492,843,151)	728,735,691	96.73
	Cash at Bank	31,471,631	4.18
	Other Net Liabilities	(6,846,222)	(0.91)
	Net Assets Attributable to Holders of Redeemable Participating Shares	753,361,100	100.00

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	92.83	95.29
Other assets	7.17	4.71
	100.00	100.00

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

Biotechnology Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 92.76% (2019: 97.24%)		
	Diagnostic Equipment: 1.57% (2019: 2.60%)		
1,035,942	Quotient	5,397,258	0.43
750,000	Oxford Immunotec Global	13,098,750	1.04
1,500,000	Verici DX	1,199,499	0.10
	Total Diagnostic Equipment	19,695,507	1.57
	Diagnostic Kits: 1.20% (2019: Nil)		
35,000,000	C4X Discovery	15,070,625	1.20
	Total Diagnostic Kits	15,070,625	1.20
	Diversified Operations: 3.26% (2019: Nil)		
19,580,000	Synairgen	40,950,271	3.26
	Total Diversified Operations	40,950,271	3.26
	Drug Detection Systems: Nil (2019: 0.43%)	–	–
	Medical Labs &Testing Services: 2.95% (2019: Nil)		
1,000,000	Evotec	37,049,096	2.95
	Total Medical Labs &Testing Services	37,049,096	2.95
	Medical Products: 2.13% (2019: 5.53%)		
250,000	NanoString Technologies	16,720,000	1.33
1,500,000	Renalytix AI	9,995,823	0.80
	Total Medical Products	26,715,823	2.13
	Medical-Biomedical/Gene: 71.82% (2019: 68.75%)		
400,000	Acceleron Pharma	51,176,000	4.07
500,000	Alexion Pharmaceuticals	78,120,000	6.22
120,000	Alnylam Pharmaceuticals	15,596,400	1.24
32,500	ALX Oncology Holdings.	2,801,500	0.22
1,750,000	Aptose Biosciences	7,665,000	0.61
775,000	Arcutis Biotherapeutics	21,800,750	1.74
245,000	ArGEN-X	72,544,283	5.77
50,000	Ascendis Pharma ADR	8,339,000	0.66
3,500,000	BELLUS Health	10,710,000	0.85
150,000	Biogen	36,729,000	2.92
200,000	Biohaven Pharmaceutical	17,142,000	1.37
350,000	BioMarin Pharmaceutical	30,691,500	2.44
500,000	Calliditas Therapeutics	8,499,187	0.68
1,000,000	Celldex Therapeutics	17,520,000	1.40
100,000	Chemocentryx	6,192,000	0.49
1,189,900	Cogent Biosciences	13,362,577	1.06

Portfolio Statements continued

As at 31 December 2020

Biotechnology Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 92.76% (2019: 97.24%) continued		
	Medical-Biomedical/Gene: 71.82% (2019: 68.75%) continued		
1,000,000	Constellation Pharmaceuticals	28,800,000	2.29
350,000	Deciphera Pharmaceuticals	19,974,500	1.59
12,613,378	Diurnal	9,827,859	0.78
2,250,000	Exelixis	45,157,500	3.60
50,000	Genmab	20,243,281	1.61
500,000	Global Blood Therapeutics	21,655,000	1.72
500,000	Immunovant	23,095,000	1.84
500,000	Incyte	43,490,000	3.46
675,000	Insmed	22,470,750	1.79
1,000,000	Inventiva Saca	14,340,007	1.14
50,000	Mirati Therapeutics	10,982,000	0.88
200,000	PTC Therapeutics	12,206,000	0.97
95,000	Regeneron Pharmaceuticals	45,895,450	3.65
250,000	Scholar Rock Holdings	12,132,500	0.97
120,000	Seagen	21,016,800	1.67
125,000	Travere Therapeutics	3,406,875	0.27
5,000,000	Valneva	47,412,565	3.78
275,000	Vertex Pharmaceuticals	64,993,500	5.17
500,000	Y-mAbs Therapeutics	24,755,000	1.97
225,000	Zentalis Pharmaceuticals	11,686,500	0.93
	Total Medical-Biomedical/Gene	902,430,284	71.82
	Medical-Drugs: 9.83% (2019: 12.67%)		
1,000,000	Cytokinetics	20,780,000	1.65
500,000	Horizon Therapeutics	36,575,000	2.91
75,000	Jazz Pharms.	12,378,750	0.98
241,000	Kura Oncology	7,871,060	0.63
5,800,000	Summit Therapeutics	27,260,000	2.17
1,625,000	Verona Pharma ADR	11,375,000	0.91
200,000	Zealand Pharma	7,252,403	0.58
	Total Medical-Drugs	123,492,213	9.83
	Research & Development: Nil (2019: 1.66%)	–	–
	Therapeutics: Nil (2019: 2.13%)	–	–
	Wound/Burn & Skin Care: Nil (2019: 3.47%)	–	–
	Total Equities	1,165,403,819	92.76
	Total Transferable Securities	1,165,403,819	92.76

Financial assets at fair value through profit or loss

Open Forward Currency Contracts: 0.02% (2019: 0.02%)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
GBP 7,093,153	USD 9,456,591	1.3332	29/01/2021	240,981	0.02
GBP 71,705	USD 95,583	1.3330	29/01/2021	2,450	–
GBP 210,224	USD 286,177	1.3613	29/01/2021	1,235	–
GBP 27,032	USD 36,034	1.3330	29/01/2021	924	–
GBP 24,238	USD 32,838	1.3548	29/01/2021	300	–
GBP 58	USD 78	1.3515	29/01/2021	1	–
GBP 12	USD 16	1.3446	29/01/2021	–	–
Total unrealised gain on forward foreign currency contracts				245,891	0.02
Total Financial Assets at fair value through profit or loss				1,165,649,710	92.78

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
USD 112,621	GBP 83,216	1.3534	29/01/2021	(1,149)	–
USD 685	GBP 517	1.3270	29/01/2021	(21)	–
USD 42	GBP 32	1.3444	29/01/2021	(1)	–
Total unrealised loss on forward foreign currency contracts				(1,171)	–
Total Financial Liabilities at fair value through profit or loss				(1,171)	–
Total Value of Investments (Cost: US$ 1,009,160,727)				1,165,648,539	92.78
Cash at Bank				100,060,925	7.96
Other Net Liabilities				(9,271,457)	(0.74)
Net Assets Attributable to Holders of Redeemable Participating Shares				1,256,438,007	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	91.20	95.72
OTC financial derivative instruments	0.02	0.02
Other assets	8.78	4.26
	100.00	100.00

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

Portfolio Statements continued

As at 31 December 2020

China Stars Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 95.21% (2019: 99.64%)		
	Communications: 29.17% (2019: 30.40%)		
3,867	21Vianet ADR	134,146	0.96
4,530	51job ADR	317,100	2.27
3,932	Alibaba ADR	915,094	6.55
13,509	iQIYI ADR	236,137	1.69
4,831	JD.com Inc	424,645	3.04
15,700	Meituan Dianping Class B	596,506	4.27
1,996	Prosus	215,793	1.54
17,000	Tencent	1,236,547	8.85
	Total Communications	4,075,968	29.17
	Consumer, Cyclical: 12.47% (2019: 12.28%)		
17,000	BYD	445,508	3.19
26,000	China Meidong Auto	105,625	0.75
3,629	Freni Brembo	47,955	0.34
49,000	Geely Automobile	167,465	1.20
29,600	Gree Electric Appliancesof Zhuhai	282,211	2.02
1,253	JD Health International Inc	24,240	0.17
11,500	Mango Excellent Media Co Ltd	128,335	0.92
31,100	Midea	471,240	3.37
39,900	Samsonite International	70,704	0.51
	Total Consumer, Cyclical	1,743,283	12.47
	Consumer, Non-cyclical: 18.13% (2019: 22.45%)		
18,600	Centre Testing International	78,361	0.56
45,460	China Building Material Test & Certification	136,870	0.98
839,292	China Foods	274,935	1.97
25,000	China Resources Beer	230,208	1.65
160,000	China Resources Pharmaceutical	82,127	0.59
88,772	China Resources Sanjiu Medical & Pharmaceutical	340,787	2.44
2,600	Foshan Haitian Flavouring & Food	80,257	0.57
21,172	Jiangsu Hengrui Medicine	363,238	2.60
130,000	ManpowerGreater China	216,280	1.55
23,062	Microport Scientific	124,770	0.89
42,700	Renrui Human Resources Technology Holdings Ltd	139,601	1.00
5,000	Venus MedTech (HangZhou) Inc	50,975	0.36
6,000	Vitasoy International	23,369	0.17
17,800	Yunnan Baiyao	311,250	2.23
75,500	Zhou Hei Ya International Holdings Co Ltd	80,234	0.57
	Total Consumer, Non-cyclical	2,533,262	18.13

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 95.21% (2019: 99.64%) continued		
	Financial: 17.74% (2019: 21.13%)		
125,500	Binjiang Service Group Co Ltd	231,129	1.65
68,000	C&D International Investment Group Ltd	105,238	0.75
68,000	C&D Property Management Group Ltd	27,187	0.19
461,000	China Construction Bank	350,186	2.51
54,000	China Merchants Bank	341,250	2.44
2,500	Hong Kong Exchanges & Clearing	137,029	0.98
67,000	Longfor	392,295	2.81
25,700	Ping An Insurance Groupof China Class A	344,083	2.46
45,000	Ping An Insurance Groupof China Class H	551,339	3.95
	Total Financial	2,479,736	17.74
	Industrial: 5.32% (2019: 5.34%)		
3,000	Airtac International	96,092	0.69
26,000	Hainan Meilan International Airport Co Ltd	137,815	0.98
14,300	Hefei Meiya Optoelectronic Technology	97,466	0.70
8,300	S.F. Holding Co Ltd	112,721	0.80
20,900	Shenzhen Inovance Technology	300,150	2.15
	Total Industrial	744,244	5.32
	Technology: 12.38% (2019: 8.04%)		
4,592	Agora Inc	181,660	1.30
3,075	Bilibili ADR	263,589	1.89
54,250	Dadi Early-Childhood Education	334,018	2.39
17,488	Glodon	211,956	1.52
2,000	MediaTek Inc	53,171	0.38
4,608	NetEase ADR	441,308	3.16
10,000	Taiwan Semiconductor Manufacturing	188,626	1.35
500	Taiwan Semiconductor Manufacturing	54,520	0.39
	Total Technology	1,728,848	12.38
	Total Equities	13,305,341	95.21
	Total Transferable Securities	13,305,341	95.21

Options Purchased: Nil (2019: Nil)

Description	Base Currency	Strike Price	No. of Contracts	Maturity Date	Fair Value US$	% of Net Assets
Option Alibaba Call 330	USD	330.00	3	15/01/2021	21	–
Option Alibaba Call 350	USD	350.00	3	19/02/2021	69	–
Total Options Purchased					90	–

Portfolio Statements continued

As at 31 December 2020

China Stars Fund continued

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: US$ 9,900,869)	13,305,431	95.21
Cash at Bank	924,488	6.62
Margin Cash	6,470	0.05
Other Net Liabilities	(261,909)	(1.88)
Net Assets Attributable to Holders of Redeemable Participating Shares	13,974,480	100.00

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	93.01	97.29
Other assets	6.99	2.71
	100.00	100.00

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

Emerging Markets Income Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 98.79% (2019: 97.50%)		
	Bermuda: Nil (2019: 4.82%)	–	–
	Brazil: 1.71% (2019: 6.36%)		
200,000	Telefonica Brasil	1,790,459	1.71
	Total Brazil	1,790,459	1.71
	Cayman Islands: 5.90% (2019: 2.56%)		
678,000	Minth	3,576,314	3.43
1,722,000	Topsports International	2,576,165	2.47
	Total Cayman Islands	6,152,479	5.90
	Curacao: Nil (2019: 1.68%)	–	–
	Cyprus: 2.03% (2019: 2.51%)		
355,287	Globaltrans Investment GDR	2,124,616	2.03
	Total Cyprus	2,124,616	2.03
	Czech Republic: 1.82% (2019: 2.03%)		
600,000	Moneta Money Bank	1,900,879	1.82
	Total Czech Republic	1,900,879	1.82
	Hong Kong: 4.13% (2019: 2.54%)		
381,000	China Mobile	2,171,850	2.08
1,186,000	Guangdong Investment	2,135,270	2.05
	Total Hong Kong	4,307,120	4.13
	India: 8.60% (2019: 9.72%)		
170,000	Bharat Petroleum	886,673	0.85
220,000	ICICI Bank	1,610,990	1.54
350,000	Petronet LNG	1,186,027	1.14
73,518	Polycab India	1,043,243	1.00
1,300,000	Rural Electrification	2,382,318	2.28
140,000	Tech Mahindra	1,864,687	1.79
	Total India	8,973,938	8.60
	Indonesia: 2.96% (2019: 1.46%)		
1,500,000	Semen Indonesia Persero	1,326,512	1.27
7,500,000	Telekomunikasi Indonesia Persero	1,766,904	1.69
	Total Indonesia	3,093,416	2.96
	Kazakhstan: 2.41% (2019: 1.14%)		
140,000	NAC Kazatomprom	2,520,000	2.41
	Total Kazakhstan	2,520,000	2.41

Portfolio Statements continued

As at 31 December 2020

Emerging Markets Income Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 98.79% (2019: 97.50%) continued		
	Kuwait: 2.15% (2019: 1.21%)		
180,000	Humansoft	2,247,929	2.15
	Total Kuwait	2,247,929	2.15
	Lithuania: 1.98% (2019: Nil)		
85,000	AB Ignitis Grupe	2,069,635	1.98
	Total Lithuania	2,069,635	1.98
	Malaysia: Nil (2019: 2.70%)	–	–
	Mexico: 4.12% (2019: 3.99%)		
803,828	Bolsa Mexicana de Valores	1,902,513	1.82
1,700,000	Macquarie Mexico Real Estate Management	2,402,550	2.30
	Total Mexico	4,305,063	4.12
	People's Republic of China: 14.25% (2019: 12.09%)		
4,362,000	China BlueChemical	691,948	0.66
2,890,000	China Construction Bank	2,195,309	2.10
561,000	China Merchants Bank	3,545,207	3.40
8,788,000	China Tower	1,292,045	1.24
673,600	Haier Smart Home	2,441,131	2.34
2,842,000	Jiangsu Expressway	3,177,794	3.04
631,000	Sinopharm	1,534,807	1.47
	Total People's Republic of China	14,878,241	14.25
	Poland: 0.83% (2019: 1.93%)		
100,000	Powszechny Zaklad Ubezpieczen	868,492	0.83
	Total Poland	868,492	0.83
	Republic of South Korea: 20.57% (2019: 14.08%)		
64,865	Dongbu Insurance	2,612,394	2.50
56,000	KB Financial	2,237,319	2.14
132,000	KT	2,916,321	2.80
34,000	KT&G	2,600,939	2.49
508,000	LOTTE Reit	2,501,887	2.40
64,600	Samsung Electronics	4,816,901	4.61
56,000	Samsung Electronics Pref	3,794,164	3.63
	Total Republic of South Korea	21,479,925	20.57
	Romania: 3.32% (2019: 3.37%)		
5,806,741	Fondul Proprietatea	2,116,505	2.03
14,742,000	OMV Petrom	1,347,037	1.29
	Total Romania	3,463,542	3.32

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 98.79% (2019: 97.50%) continued		
	Russian Federation: 4.44% (2019: 5.60%)		
600,000	Detsky Mir	1,099,340	1.05
10,000,000	Inter RAO UES	718,251	0.69
15,000	Polyus GDR	1,512,000	1.45
400,000	Sberbank of Russia	1,301,815	1.25
	Total Russian Federation	4,631,406	4.44
	Slovenia: 1.65% (2019: 1.61%)		
156,000	Nova Ljubljanska Banka	1,717,864	1.65
	Total Slovenia	1,717,864	1.65
	South Africa: 0.99% (2019: 2.95%)		
900,000	Life Healthcare	1,030,585	0.99
	Total South Africa	1,030,585	0.99
	Taiwan: 10.05% (2019: 7.37%)		
423,000	Chicony Electronics	1,297,694	1.24
419,646	Delta Electronics	3,927,927	3.76
279,000	Taiwan Semiconductor Manufacturing	5,262,652	5.05
	Total Taiwan	10,488,273	10.05
	Thailand: 1.53% (2019: 2.60%)		
3,719,801	Digital Telecommunications Infrastructure	1,601,650	1.53
	Total Thailand	1,601,650	1.53
	United Arab Emirates: 1.34% (2019: 1.60%)		
500,781	Emirates NBD Bank	1,404,256	1.34
	Total United Arab Emirates	1,404,256	1.34
	United Kingdom: 2.01% (2019: 1.58%)		
90,000	Mondi	2,102,344	2.01
	Total United Kingdom	2,102,344	2.01
	Total Equities	103,152,112	98.79
	Total Transferable Securities	103,152,112	98.79

Open Forward Currency Contracts: 0.01% (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
USD 559,468	GBP 413,996	1.3514	04/01/2021	6,443	0.01
USD 50,987	GBP 37,729	1.3514	04/01/2021	587	–
Total unrealised gain on forward foreign currency contracts				7,030	0.01
Total Financial Assets at fair value through profit or loss				103,159,142	98.80

Portfolio Statements continued

As at 31 December 2020

Emerging Markets Income Fund continued

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: (0.01%) (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
GBP 37,502	USD 50,667	1.3511	04/01/2021	(596)	–
GBP 411,512	USD 556,219	1.3516	04/01/2021	(6,297)	(0.01)
Total unrealised loss on forward foreign currency contracts				(6,893)	(0.01)
Total Financial Liabilities at fair value through profit or loss				(6,893)	(0.01)

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: US$ 91,892,023)	103,152,249	98.79
Cash at Bank	1,426,888	1.37
Other Net Liabilities	(166,668)	(0.16)
Net Assets Attributable to Holders of Redeemable Participating Shares	104,412,469	100.00

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	97.99	97.03
Other assets	2.01	2.97
	100.00	100.00

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

Emerging Market Stars Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 97.94% (2019: 96.94%)		
	Bermuda: 1.14% (2019: 0.79%)		
1,436,000	Alibaba Health Information Technology	4,241,042	1.14
	Total Bermuda	4,241,042	1.14
	Brazil: 1.25% (2019: 5.78%)		
317,100	B2W Companhia Digital	4,615,904	1.25
	Total Brazil	4,615,904	1.25
	Canada: 2.23% (2019: 1.59%)		
1,535,382	Ivanhoe Mines	8,267,442	2.23
	Total Canada	8,267,442	2.23
	Cayman Islands: 29.90% (2019: 24.93%)		
107,399	21Vianet ADR	3,725,671	1.01
39,245	51job ADR	2,747,150	0.74
152,169	Afya	3,849,876	1.04
76,495	Agora	3,026,142	0.82
101,377	Alibaba ADR	23,593,469	6.37
89,555	Arco Platform	3,178,307	0.86
53,728	Bilibili ADR	4,605,564	1.24
164,640	iQIYI ADR	2,877,907	0.78
121,862	JD.com ADR	10,711,670	2.89
641,500	Longfor Group Holdings	3,756,082	1.01
245,700	Meituan Dianping	9,335,133	2.52
608,599	Microport Scientific	3,292,652	0.89
68,632	NetEase ADR	6,572,887	1.77
34,716	Sea ADR	6,910,220	1.86
310,700	Tencent	22,599,715	6.10
	Total Cayman Islands	110,782,445	29.90
	Hong Kong: 1.06% (2019: 2.32%)		
322,000	AIA	3,945,137	1.06
	Total Hong Kong	3,945,137	1.06
	India: 12.93% (2019: 15.89%)		
188,661	Housing Development Finance	6,606,459	1.78
1,491,495	ICICI Bank	10,921,742	2.95
453,953	ICICI Prudential Life Insurance	3,099,250	0.84
61,404	Info Edge	3,998,414	1.08
881,435	Phoenix Mills	9,343,627	2.52
1,685,338	Prestige Estates Projects	6,137,728	1.66
286,202	Reliance Industries – Restricted	7,776,328	2.10
	Total India	47,883,548	12.93

Portfolio Statements continued

As at 31 December 2020

Emerging Market Stars Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 97.94% (2019: 96.94%) continued		
	Luxembourg: 0.78% (2019: Nil)		
127,263	Allegro.eu SA	2,892,962	0.78
	Total Luxembourg	2,892,962	0.78
	Netherlands: 2.71% (2019: 1.38%)		
68,624	Prosus	7,419,139	2.00
37,658	Yandex	2,620,244	0.71
	Total Netherlands	10,039,383	2.71
	People's Republic of China: 4.45% (2019: 4.08%)		
301,880	Glodon	3,658,814	0.99
1,047,500	Ping An Insurance	12,833,947	3.46
	Total People's Republic of China	16,492,761	4.45
	Poland: Nil (2019: 1.70%)	–	–
	Republic of South Korea: 20.51% (2019: 12.58%)		
98,598	Daejoo Electronic Materials	4,216,033	1.14
26,552	Ecopro BM	4,157,687	1.12
126,516	ITM Semiconductor	6,626,862	1.79
52,866	KMW	3,927,355	1.06
42,674	Koh Young Technology	4,124,800	1.11
19,580	NAVER	5,272,162	1.42
419,464	Samsung Electronics	31,277,349	8.44
9,726	Samsung SDI	5,622,690	1.52
165,858	Seoul Viosys	2,939,120	0.79
71,938	SK Hynix	7,847,421	2.12
	Total Republic of South Korea	76,011,479	20.51
	Russian Federation: Nil (2019: 1.22%)	–	–
	Singapore: 1.00% (2019: 0.82%)		
17,036,200	Yoma Strategic	3,738,129	1.00
	Total Singapore	3,738,129	1.00
	Taiwan: 13.91% (2019: 14.68%)		
729,000	Chroma ATE	4,358,744	1.18
185,000	eMemory Technology	3,917,539	1.06
792,000	LandMark Optoelectronics	7,962,844	2.15
188,000	MediaTek	4,998,078	1.35
1,366,000	Taiwan Semiconductor Manufacturing	25,766,247	6.95
368,000	Win Semiconductors	4,531,568	1.22
	Total Taiwan	51,535,020	13.91

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 97.94% (2019: 96.94%) continued		
	United Kingdom: Nil (2019: 1.41%)	–	–
	United States: 2.20% (2019: 1.57%)		
4,882	MercadoLibre	8,178,424	2.20
	Total United States	8,178,424	2.20
	Vietnam: 3.03% (2019: 4.58%)		
2,792,150	Vietnam Technological & Commercial Joint Stock Bank	3,810,363	1.03
2,299,910	Vincom Retail	3,128,655	0.84
1,105,970	Vinhomes	4,288,284	1.16
	Total Vietnam	11,227,302	3.03
	Virgin Islands: 0.84% (2019: 1.62%)		
118,525	Mail.Ru GDR	3,117,208	0.84
	Total Virgin Islands	3,117,208	0.84
	Total Equities	362,968,186	97.94
	Total Transferable Securities	362,968,186	97.94
	Total Value of Investments (Cost: US$ 276,255,427)	362,968,186	97.94
	Cash at Bank	11,697,452	3.16
	Other Net Liabilities	(4,061,889)	(1.10)
	Net Assets Attributable to Holders of Redeemable Participating Shares	370,603,749	100.00

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	96.59	91.24
Other assets	3.41	8.76
	100.00	100.00

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

Portfolio Statements continued

As at 31 December 2020

European ex UK Income Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR€	% of Net Assets
	Equities: 99.34% (2019: 97.92%)		
	Basic Materials: 8.67% (2019: 10.13%)		
43,395	Brenntag	2,748,639	1.44
1,642,595	NOS	4,694,537	2.46
258,251	TOTAL	9,116,260	4.77
	Total Basic Materials	16,559,436	8.67
	Communications: 14.63% (2019: 14.85%)		
64,564	Heineken	5,889,528	3.09
109,839	Sampo Class A	3,797,134	1.99
458,842	Scandinavian Tobacco	6,417,097	3.36
536,296	Telenet	5,796,083	3.03
198,373	UPM-Kymmene	6,044,425	3.16
	Total Communications	27,944,267	14.63
	Consumer, Cyclical: 4.60% (2019: 6.71%)		
196,017	Cie Financiere Richemont SA	3,950,199	2.07
323,547	Deutsche Telekom	4,838,645	2.53
	Total Consumer, Cyclical	8,788,844	4.60
	Consumer, Non-cyclical: 34.66% (2019: 19.39%)		
345,764	AXA	6,746,547	3.53
279,931	Cia de Distribucion Integral Logista	4,439,706	2.32
33,707	Danone SA	5,285,258	2.77
140,695	Heineken NV	6,973,548	3.65
144,896	Industria de Diseno Textil	3,773,092	1.98
100,655	Nestle	5,738,342	3.00
121,758	Novartis	9,417,032	4.93
223,250	Roche Holding AG	3,165,685	1.66
102,058	Sanofi	8,031,965	4.21
229,073	SCOR	6,052,109	3.17
85,173	Swiss Re	6,563,054	3.44
	Total Consumer, Non-cyclical	66,186,338	34.66
	Energy: 1.99% (2019: 8.02%)		
51,231	Cie Financiere Richemont	3,793,215	1.99
	Total Energy	3,793,215	1.99

Holdings	Financial assets at fair value through profit or loss	Fair Value EUR€	% of Net Assets
	Equities: 99.34% (2019: 97.92%) continued		
	Financial: 16.59% (2019: 17.99%)		
72,841	BASF	4,714,270	2.47
23,630	Cie Financiere Richemont SA	5,737,364	3.00
91,317	Deutsche Post	3,698,339	1.94
317,829	Naturgy Energy	6,026,038	3.15
637,867	Orange	6,208,997	3.25
114,446	Societe BIC	5,294,272	2.77
	Total Financial	31,679,280	16.59
	Industrial: 13.75% (2019: 15.73%)		
60,909	Assa Abloy AB	5,871,509	3.07
128,423	Danone	6,904,020	3.62
2,188,670	Koninklijke KPN	5,443,222	2.85
28,131	Roche	8,037,004	4.21
	Total Industrial	26,255,755	13.75
	Utilities: 4.45% (2019: 5.10%)		
346,917	Red Electrica	5,819,533	3.05
32,887	Vinci	2,675,686	1.40
	Total Utilities	8,495,219	4.45
	Total Equities	189,702,354	99.34
	Warrants: 0.01% (2019: Nil)		
123,252	Deutsche Post AG	26,210	0.01
	Total Warrants	26,210	0.01
	Total Transferable Securities	189,728,564	99.35

Portfolio Statements continued

As at 31 December 2020

European ex UK Income Fund continued

Financial assets at fair value through profit or loss					
Open Forward Foreign Currency Contracts: 0.45% (2019: 0.44%)					
Currency Sold	**Currency Bought**	**Currency Rate**	**Maturity Date**	**Unrealised Gain EUR€**	**% of Net Assets**
GBP 32,122,545	EUR 35,010,949	1.0899	29/01/2021	863,954	0.45
GBP 82,622	EUR 90,052	1.0899	29/01/2021	2,222	–
GBP 28,413	EUR 30,968	1.0899	29/01/2021	764	–
GBP 1,142	EUR 1,244	1.0899	29/01/2021	31	–
Total unrealised gain on forward foreign currency contracts				866,971	0.45
Total Financial Assets at fair value through profit or loss				190,595,535	99.79
Financial Liabilities at fair value through profit or loss: Nil (2019: (0.01))				–	–
Total Value of Investments (Cost: EUR 194,496,036)				190,595,535	99.80
Bank Overdraft				(254,206)	(0.13)
Other Net Assets				636,903	0.33
Net Assets Attributable to Holders of Redeemable Participating Shares				190,978,232	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	99.05	97.73
OTC financial derivative instruments	0.45	0.44
Other assets	0.50	1.83
	100.00	100.00

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

Financial Opportunities Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 96.43% (2019: 97.93%)		
	Belgium: 1.76% (2019: 1.65%)		
2,708	KBC	189,790	1.76
	Total Belgium	189,790	1.76
	Bermuda: 3.47% (2019: 3.05%)		
7,057	Arch Capital	254,546	2.36
8,799	Hiscox	119,556	1.11
	Total Bermuda	374,102	3.47
	Brazil: 1.22% (2019: 1.51%)		
21,568	Itau Unibanco	131,349	1.22
	Total Brazil	131,349	1.22
	Canada: 2.28% (2019: 3.73%)		
796	Intact Financial	94,170	0.87
2,706	Toronto-Dominion Bank	152,759	1.41
	Total Canada	246,929	2.28
	Cayman Islands: 2.61% (2019: 1.33%)		
3,900	Alibaba Group Holdings	116,992	1.08
27,680	Chailease	165,501	1.53
	Total Cayman Islands	282,493	2.61
	France: 1.79% (2019: 1.60%)		
3,667	BNP Paribas	193,402	1.79
	Total France	193,402	1.79
	Greece: Nil (2019: 0.86%)	–	–
	Hong Kong: 5.08% (2019: 4.47%)		
28,209	AIA	345,616	3.20
3,700	Hong Kong Exchanges & Clearing	202,802	1.88
	Total Hong Kong	548,418	5.08
	India: 10.36% (2019: 8.19%)		
21,181	Axis Bank	179,858	1.66
2,047	Bajaj Finance	148,346	1.37
5,286	HDFC Bank ADR	381,966	3.53
7,777	Housing Development Finance	272,332	2.52
60,922	Manappuram Finance	137,990	1.28
	Total India	1,120,492	10.36

Portfolio Statements continued

As at 31 December 2020

Financial Opportunities Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 96.43% (2019: 97.93%) continued		
	Indonesia: 3.79% (2019: 3.12%)		
113,300	Bank Central Asia	272,968	2.53
458,800	Bank Rakyat Indonesia Persero	136,171	1.26
	Total Indonesia	409,139	3.79
	Italy: 2.78% (2019: Nil)		
2,539	Banca Generali	84,624	0.78
6,006	FinecoBank SPA	98,472	0.91
50,468	Intesa Sanpaolo SPA	118,103	1.09
	Total Italy	301,199	2.78
	Mexico: 1.17% (2019: 1.48%)		
23,000	Grupo Financiero Banorte	126,892	1.17
	Total Mexico	126,892	1.17
	Netherlands: 1.06% (2019: 3.01%)		
49	Adyen	114,212	1.06
	Total Netherlands	114,212	1.06
	Norway: 2.22% (2019: 2.75%)		
7,652	DNB	150,145	1.39
11,113	Sbanken	89,429	0.83
	Total Norway	239,574	2.22
	People's Republic of China: 3.50% (2019: 1.67%)		
26,500	China Merchants Bank	167,465	1.55
17,200	Ping An Insurance	210,734	1.95
	Total People's Republic of China	378,199	3.50
	Philippines: 1.21% (2019: 1.64%)		
76,920	Bank of the Philippine Islands	130,300	1.21
	Total Philippines	130,300	1.21
	Singapore: Nil (2019: 0.89%)	–	–
	Spain: Nil (2019: 0.93%)	–	–
	Sweden: 0.90% (2019: Nil)		
5,542	Swedbank	97,255	0.90
	Total Sweden	97,255	0.90
	Switzerland: 3.42% (2019: 2.96%)		
1,377	Chubb	211,948	1.96
11,157	UBS	157,393	1.46
	Total Switzerland	369,341	3.42

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 96.43% (2019: 97.93%) continued		
	Thailand: 2.42% (2019: 1.18%)		
36,500	Kasikornbank Public Company	137,667	1.27
42,100	Tisco Financial	124,361	1.15
	Total Thailand	262,028	2.42
	Turkey: Nil (2019: 0.94%)	–	–
	United Kingdom: 6.20% (2019: 8.74%)		
194,444	Atom Bank	203,068	1.88
1,061	London Stock Exchange Group	130,646	1.21
28,966	OSB Group Plc	167,725	1.55
9,167	Prudential	168,790	1.56
	Total United Kingdom	670,229	6.20
	United States: 38.09% (2019: 42.23%)		
1,547	American Express	187,048	1.73
12,964	Bank of America	392,939	3.64
319	Berkshire Hathaway	73,967	0.68
2,924	Blackstone	189,504	1.75
7,070	Citizens Financial	252,823	2.34
3,209	East West Bancorp	162,728	1.51
3,680	Enterprise Financial Services	128,616	1.19
3,017	Esquire Financial	57,896	0.54
1,053	First Republic Bank	154,717	1.43
4,024	JPMorgan Chase	511,330	4.73
738	Mastercard	263,422	2.44
1,031	PayPal	241,460	2.23
1,515	PNC Financial Services Group	225,735	2.09
2,752	Prosperity Bancshares	190,879	1.77
290	S&P Global	95,332	0.88
1,601	Signature Bank	216,599	2.00
500	SVB Financial	193,915	1.79
3,722	US Bancorp	173,408	1.60
3,633	Webster Financial	153,132	1.42
8,326	Wells Fargo	251,279	2.33
	Total United States	4,116,729	38.09
	Vietnam: 1.10% (2019: Nil)		
27,960	Joint Stock Commercial Bank for Foreign Trade of Vietnam	118,587	1.10
	Total Vietnam	118,587	1.10
	Total Equities	10,420,659	96.43
	Total Transferable Securities	10,420,659	96.43

Portfolio Statements continued

As at 31 December 2020

Financial Opportunities Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Total Value of Investments (Cost: US$ 8,708,337)	10,420,659	96.43
	Cash at Bank	383,063	3.55
	Other Net Assets	1,771	0.02
	Net Assets Attributable to Holders of Redeemable Participating Shares	10,805,493	100.00

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	96.12	97.67
Other assets	3.88	2.33
	100.00	100.00

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

Global Absolute Return Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Investment Funds: Nil (2019: 8.59%)		
	Corporate Bonds: 109.65% (2019: 119.71%)		
	Australia: 1.86% (2019: Nil)		
1,000,000	Flight Centre Travel 2.500% 17/11/2027	874,935	1.86
	Total Australia	874,935	1.86
	Canada: 0.89% (2019: Nil)		
300,000	SSR Mining 2.500% 04/01/2039	417,188	0.89
	Total Canada	417,188	0.89
	Cayman Islands: 6.54% (2019: 2.55%)		
500,000	Farfetch 3.750% 05/01/2027	2,035,005	4.32
250,000	Pinduoduo 0.000% 10/01/2024	1,042,867	2.22
	Total Cayman Islands	3,077,872	6.54
	France: 4.13% (2019: 9.82%)		
100,000	Electricite de France 0.000% 14/09/2024	1,943,754	4.13
	Total France	1,943,754	4.13
	Germany: 14.98% (2019: Nil)		
1,500,000	Deutsche Lufthansa 2.000% 17/11/2025	2,140,792	4.55
2,200,000	MorphoSys 0.625% 16/10/2025	2,782,282	5.91
1,000,000	MTU Aero Engines 0.125% 17/05/2023	2,126,010	4.52
	Total Germany	7,049,084	14.98
	Israel: 3.86% (2019: Nil)		
1,500,000	Fiverr International 0.000% 11/01/2025	1,817,850	3.86
	Total Israel	1,817,850	3.86
	Japan: 1.12% (2019: 24.64%)		
50,000,000	Maruwa Unyu Kikan 0.000% 17/12/2025	526,963	1.12
	Total Japan	526,963	1.12
	Liberia: 2.55% (2019: Nil)		
1,000,000	Royal Caribbean Cruises 2.875% 15/11/2023	1,200,000	2.55
	Total Liberia	1,200,000	2.55
	Luxembourg: 1.75% (2019: Nil)		
15,000	ArcelorMittal 5.500% 18/05/2023	824,250	1.75
	Total Luxembourg	824,250	1.75

Portfolio Statements continued

As at 31 December 2020

Global Absolute Return Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Corporate Bonds: 109.65% (2019: 119.71%) continued		
	Netherlands: 7.97% (2019: 13.15%)		
600,000	Dufry One 1.000% 05/04/2023	1,190,887	2.53
1,000,000	QIAGEN 0.500% 13/09/2023	1,336,342	2.84
1,000,000	STMicroelectronics 0.000% 08/04/2025	1,224,095	2.60
	Total Netherlands	3,751,324	7.97
	Spain: Nil (2019: 3.31%)	–	–
	United Kingdom: 2.20% (2019: 20.74%)		
1,000,000	GSK Finance No. 3 0.000% 22/06/2023	1,036,484	2.20
	Total United Kingdom	1,036,484	2.20
	United States: 57.40% (2019: 45.50%)		
1,150,000	2U 2.250% 05/01/2025	1,861,066	3.95
1,000,000	American Airlines 6.500% 07/01/2025	1,258,568	2.67
100,000	Anthem 2.750% 15/10/2042	448,490	0.95
1,000,000	Apellis Pharmaceuticals 3.500% 15/09/2026	1,685,230	3.58
1,000,000	Cinemark 4.500% 15/08/2025	1,464,485	3.11
1,500,000	DISH Network 0.000% 15/12/2025	1,514,594	3.22
2,000,000	LivePerson 0.000% 15/12/2026	2,194,652	4.66
2,800,000	MicroStrategy 0.750% 15/12/2025	3,625,935	7.70
800,000	Nutanix 0.000% 15/01/2023	809,429	1.72
1,500,000	PagerDuty 1.250% 07/01/2025	1,918,889	4.08
1,000,000	Rapid7 2.250% 05/01/2025	1,627,920	3.46
1,500,000	SolarEdge Technologies 0.000% 15/09/2025	2,065,611	4.39
700,000	Square 0.500% 15/05/2023	1,962,563	4.17
1,000,000	Stride 1.125% 09/01/2027	816,444	1.74
1,000,000	Workday 0.250% 10/01/2022	1,675,953	3.56
700,000	Zillow 0.750% 09/01/2024	2,090,067	4.44
	Total United States	27,019,896	57.40
	Virgin Islands: 4.40% (2019: Nil)		
2,000,000	Viva Biotech Investment Management 1.000% 30/12/2025	2,070,157	4.40
	Total Virgin Islands	2,070,157	4.40
	Total Corporate Bonds	51,609,757	109.65
	Equities: Nil (2019: 17.17%)		

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Warrants: Nil (2019: 0.23%)		
	Cayman Islands: Nil (2019: 0.23%)		
1,000,000	Wessex	969	–
	Total Cayman Islands	969	–
	Total Warrants	969	–
	Total Transferable Securities	51,610,726	109.65
	Contracts for Difference (on Equities) – Unrealised Gains: 0.37% (2019: 0.50%)		
	Australia: 0.05% (2019: Nil)		
(32,600)	Flight Centre Travel	21,382	0.05
	Total Australia	21,382	0.05
	Cayman Islands: 0.11% (2019: Nil)		
(15,000)	Theravance Biopharma	54,303	0.11
	Total Cayman Islands	54,303	0.11
	France: Nil (2019: 0.01%)	–	–
	Germany: 0.01% (2019: Nil)		
(9,150)	MorphoSys Class A	4,868	0.01
	Total Germany	4,868	0.01
	Japan: Nil (2019: 0.07%)	–	–
	Liberia: 0.04% (2019: Nil)		
(10,100)	Royal Caribbean Cruises	18,971	0.04
	Total Liberia	18,971	0.04
	Netherlands: Nil (2019: 0.03%)	–	–
	United Kingdom: Nil (2019: 0.32%)	–	–
	United States: 0.16% (2019: 0.07%)		
(39,114)	American Airlines	49,422	0.11
(10,000)	Stride	27,180	0.05
	Total United States	76,602	0.16
	Total Contracts for Difference (on Equities) – Unrealised Gains	176,126	0.37

Portfolio Statements continued

As at 31 December 2020

Global Absolute Return Fund continued

Financial assets at fair value through profit or loss

Open Forward Currency Contracts: 1.88% (2019: 1.18%)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
USD 29,931,190	GBP 22,450,638	1.3332	29/01/2021	762,730	1.62
USD 4,560,159	GBP 3,420,461	1.3332	29/01/2021	116,206	0.25
USD 323,261	EUR 264,264	1.2232	29/01/2021	244	
USD 155,550	EUR 127,167	1.2232	29/01/2021	124	–
USD 1	GBP 1	1.3239	29/01/2021	–	–
Total unrealised gain on open forward currency contracts				882,099	1.88
Total Financial Assets at fair value through profit or loss				52,668,951	111.90

Holdings	Financial liabilities at fair value through profit or loss	Fair Value US$	% of Net Assets
	Contracts for Difference (on Equities) – Unrealised Losses: (8.97%) (2019: (4.63%))		
	Canada: Nil% (2019: Nil)		
(3,000)	SSR Mining	(727)	–
	Total Canada	(727)	–
	Cayman Islands: (1.73%) (2019: (0.20%))		
(27,000)	Farfetch	(326,357)	(0.69)
(9,258)	Pinduoduo	(382,934)	(0.81)
(800,000)	Viva Biotech	(106,456)	(0.23)
	Total Cayman Islands	(815,747)	(1.73)
	France: (0.21%) (2019: (0.02%))		
(66,000)	Electricite de France	(98,657)	(0.21)
	Total France	(98,657)	(0.21)
	Germany: (0.51%) (2019: Nil)		
(48,000)	Deutsche Lufthansa	(65,862)	(0.14)
(8,100)	MTU Aero Engines	(171,869)	(0.37)
	Total Germany	(237,731)	(0.51)
	Israel: (0.54%) (2019: Nil)		
(5,962)	Fiverr International	(254,246)	(0.54)
	Total Israel	(254,246)	(0.54)
	Japan: (0.01%) (2019: (0.87%))		
(8,400)	Maruwa Unyu Kikan	(4,284)	(0.01)
	Total Japan	(4,284)	(0.01)

Holdings	Financial liabilities at fair value through profit or loss	Fair Value US$	% of Net Assets
	Contracts for Difference (on Equities) – Unrealised Losses: (8.97%) (2019: (4.63%)) continued		
	Luxembourg: Nil (2019: Nil)		
(10,000)	ArcelorMittal	(1,106)	–
	Total Luxembourg	(1,106)	–
	Netherlands: (0.05%) (2019: (0.01%))		
(19,504)	QIAGEN	(22,044)	(0.04)
(5,500)	STMicroelectronics	(3,940)	(0.01)
	Total Netherlands	(25,984)	(0.05)
	Switzerland: (0.18%) (2019: (0.03%))		
(16,700)	Dufry	(85,128)	(0.18)
	Total Switzerland	(85,128)	(0.18)
	United States: (5.74%) (2019: (3.50%))		
(28,384)	2U	(88,625)	(0.19)
(1,350)	Anthem	(77,784)	(0.17)
(10,401)	Apellis Pharmaceuticals	(32,995)	(0.07)
(25,000)	Cinemark	(8,653)	(0.02)
(21,390)	DISH Network	(21,570)	(0.04)
(20,000)	LivePerson	(156,012)	(0.33)
(4,235)	MicroStrategy	(275,633)	(0.59)
(29,413)	PagerDuty	(133,597)	(0.28)
(13,000)	Rapid7	(233,797)	(0.50)
(4,150)	SolarEdge Technologies	(374,788)	(0.80)
(8,743)	Square	(551,107)	(1.17)
(6,200)	Workday Class	(133,202)	(0.28)
(17,152)	Zillow Class	(612,049)	(1.30)
	Total United States	(2,699,812)	(5.74)
	Total Contracts for Difference (on Equities) – Unrealised Losses	(4,223,422)	(8.97)
	Futures Contracts – Unrealised Losses: (0.09%) (2019: Nil)		

	Description	Country	Currency	No. of Contracts	Unrealised Loss US$	% of Net Assets
	Supranational: (0.09%) (2019: Nil)					
	Future IMM Euro Mar21	XU	USD	(36)	(40,950)	(0.09)
	Total Supranational				(40,950)	(0.09)
	Total Futures Contracts – Unrealised Losses				(40,950)	(0.09)

Portfolio Statements continued

As at 31 December 2020

Global Absolute Return Fund continued

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: (0.03%) (2019: 1.21%))

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
GBP 400,000	USD 533,200	1.3330	29/01/2021	(13,669)	(0.03)
GBP 31	USD 41	1.3331	29/01/2021	(1)	–
EUR 117	USD 143	1.2210	29/01/2021	–	–
Total Financial Liabilities at fair value through profit or loss				(4,278,042)	(9.09)
Total Value of Investments (Cost: US$ 40,378,954)				48,390,909	102.81
Cash at bank				214,045	0.46
Other Net Liabilities				(1,538,613)	(3.27)
Net Assets Attributable to Holders of Redeemable Participating Shares				47,066,341	100.00

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

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	92.04	89.60
Exchange traded financial derivative instruments	0.31	0.30
OTC financial derivative instruments	1.57	0.73
Other assets	6.08	9.37
	100.00	100.00

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

Global Convertible Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Corporate Bonds: 98.07% (2019: 98.72%)		
	Bermuda: 1.94% (2019: Nil)		
12,000,000	NCL 5.375% 01/08/2025	20,366,021	1.94
	Total Bermuda	20,366,021	1.94
	Canada: 3.04% (2019: 1.65%)		
6,000,000	Air Canada 4.000% 01/07/2025	8,880,000	0.85
16,539,000	SSR Mining 2.500% 01/04/2039	22,999,547	2.19
	Total Canada	31,879,547	3.04
	Cayman Islands: 0.81% (2019: 3.88%)		
18,000,000	Kingsoft 0.625% 29/04/2025	3,511,159	0.34
28,000,000	Zhongsheng 0.000% 21/05/2025	4,935,935	0.47
	Total Cayman Islands	8,447,094	0.81
	Cyprus: 0.33% (2019: Nil)		
2,400,000	Abigrove 0.000% 16/02/2022	3,479,945	0.33
	Total Cyprus	3,479,945	0.33
	France: 7.38% (2019: 6.55%)		
2,320,000	Electricite de France 0.000% 14/09/2024	45,095,090	4.30
285,000	Genfit 3.500% 16/10/2022	6,446,230	0.62
65,334	Safran 0.875% 15/05/2027	11,450,626	1.09
100,000	Worldline 0.000% 30/07/2026	14,345,006	1.37
	Total France	77,336,952	7.38
	Germany: 6.34% (2019: Nil)		
7,500,000	Delivery Hero 0.250% 23/01/2024	12,939,455	1.23
13,500,000	Deutsche Lufthansa 2.000% 17/11/2025	19,267,128	1.84
17,800,000	MorphoSys 0.625% 16/10/2025	22,511,190	2.15
7,500,000	Zalando 0.050% 06/08/2025	11,726,856	1.12
	Total Germany	66,444,629	6.34
	Hong Kong: 0.67% (2019: Nil)		
5,600,000	Xiaomi Best Time 0.000% 17/12/2027	7,056,000	0.67
	Total Hong Kong	7,056,000	0.67
	Italy: 0.49% (2019: Nil)		
4,000,000	Pirelli & C 0.000% 22/12/2025	5,105,874	0.49
	Total Italy	5,105,874	0.49

Portfolio Statements continued

As at 31 December 2020

Global Convertible Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Corporate Bonds: 98.07% (2019: 98.72%)		
	Japan: 2.22% (2019: 6.04%)		
400,000,000	CyberAgent 0.000% 17/02/2023	4,823,478	0.46
1,000,000,000	Maruwa Unyu Kikan 0.000% 17/12/2025	10,539,251	1.01
750,000,000	SBI 0.000% 25/07/2025	7,916,243	0.75
	Total Japan	23,278,972	2.22
	Jersey: Nil (2019: 1.72%)	–	–
	Luxembourg: 10.57% (2019: Nil)		
1,650,000	ArcelorMittal 5.500% 18/05/2023	90,667,500	8.65
137,000,000	CitiGlobal Markets Funding Luxembourg 0.000% 25/07/2024	20,098,080	1.92
	Total Luxembourg	110,765,580	10.57
	Malaysia: 1.54% (2019: Nil)		
6,000,000	Cerah Capital 0.000% 08/08/2024	5,992,470	0.57
10,000,000	Cindai Capital 0.000% 08/02/2023	10,162,500	0.97
	Total Malaysia	16,154,970	1.54
	Netherlands: 3.57% (2019: 8.05%)		
4,000,000	Dufry One 1.000% 04/05/2023	7,939,250	0.76
6,000,000	Iberdrola International 0.000% 11/11/2022	10,172,033	0.97
8,400,000	STMicroelectronics 0.000% 04/08/2025	10,282,394	0.98
7,000,000	Yandex 0.750% 03/03/2025	9,030,000	0.86
	Total Netherlands	37,423,677	3.57
	New Zealand: 0.62% (2019: 0.38%)		
6,000,000	Xero Investments 0.000% 02/12/2025	6,535,500	0.62
	Total New Zealand	6,535,500	0.62
	Panama: 0.49% (2019: Nil)		
3,000,000	Copa 4.500% 15/04/2025	5,073,574	0.49
	Total Panama	5,073,574	0.49
	People's Republic of China: Nil (2019: 1.23%)	–	–
	Singapore: 2.56% (2019: Nil)		
5,800,000	Maxeon Solar Technologies 6.500% 15/07/2025	10,321,100	0.98
20,000,000	Singapore Airlines 1.625% 03/12/2025	16,499,262	1.58
	Total Singapore	26,820,362	2.56
	South Africa: Nil (2019: 0.36%)	–	–

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Corporate Bonds: 98.07% (2019: 98.72%) continued		
	Spain: 2.21% (2019: 3.00%)		
9,700,000	Amadeus IT 1.500% 09/04/2025	16,719,458	1.60
4,000,000	Cellnex Telecom 0.500% 05/07/2028	6,370,545	0.61
	Total Spain	23,090,003	2.21
	Switzerland: 1.51% (2019: Nil)		
10,300,000	Sika 0.150% 05/06/2025	15,814,016	1.51
	Total Switzerland	15,814,016	1.51
	Taiwan: Nil (2019: 0.26%)	–	–
	United Kingdom: 8.81% (2019: 5.69%)		
12,000,000	Capital & Counties Properties 2.000% 30/03/2026	17,183,456	1.64
25,000,000	GSK Finance No 3 0.000% 22/06/2023	25,912,103	2.47
35,000,000	J Sainsbury FRN 31/12/2049	49,237,167	4.70
	Total United Kingdom	92,332,726	8.81
	United States: 41.52% (2019: 57.58%)		
5,500,000	2U 2.250% 01/05/2025	8,900,748	0.85
17,115,000	Air Transport Services 1.125% 15/10/2024	20,485,119	1.96
10,500,000	Apellis Pharmaceuticals 3.500% 15/09/2026	17,694,918	1.69
6,500,000	Bill.com 0.000% 01/12/2025	7,458,258	0.71
2,500,000	Blackline 0.125% 01/08/2024	4,706,665	0.45
16,000,000	Chegg 0.000% 01/09/2026	17,971,479	1.71
6,000,000	Cloudflare 0.750% 15/05/2025	12,832,911	1.22
7,500,000	Coupa Software 0.375% 15/06/2026	10,123,251	0.97
20,000,000	CSG Systems International 4.250% 15/03/2036	21,150,000	2.02
30,895,000	Dermira 3.000% 15/05/2022	31,319,806	2.99
9,000,000	Exact Sciences 0.375% 01/03/2028	11,753,928	1.12
8,000,000	Guardant Health 0.000% 15/11/2027	9,400,206	0.90
11,500,000	JPMorgan Chase Bank NA 0.000% 24/05/2022	16,480,032	1.57
2,500,000	JPMorgan Chase Bank NA 0.000% 18/09/2022	3,772,671	0.36
11,000,000	Lumentum 0.5000% 15/12/2026	13,468,400	1.28
4,400,000	Lyft 1.500% 15/05/2025	6,540,448	0.62
23,500,000	Macquarie Infrastructure 2.000% 01/10/2023	23,441,313	2.24
10,200,000	MicroStrategy 0.750% 15/12/2025	13,208,762	1.26
10,100,000	Nutanix 0.000% 15/01/2023	10,219,045	0.98
14,300,000	Okta 0.375% 15/06/2026	18,400,879	1.76
5,000,000	ON Semiconductor 1.625% 15/10/2023	8,389,921	0.80
22,000,000	Palo Alto Networks 0.375% 01/06/2025	29,080,267	2.78

Portfolio Statements continued

As at 31 December 2020

Global Convertible Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Corporate Bonds: 98.07% (2019: 98.72%) continued		
	United States: 41.52% (2019: 57.58%) continued		
8,000,000	RingCentral 0.000% 01/03/2025	10,244,696	0.98
22,941,000	Silicon Laboratories 0.625% 15/06/2025	28,927,844	2.76
19,000,000	SolarEdge Technologies 0.000% 15/09/2025	26,164,405	2.50
7,500,000	Splunk 1.125% 15/06/2027	7,832,648	0.75
13,453,000	Supernus Pharmaceuticals 0.625% 01/04/2023	12,825,288	1.22
3,000,000	Synaptics 0.500% 15/06/2022	4,144,146	0.40
6,000,000	Twitter 0.250% 15/06/2024	7,265,963	0.69
6,000,000	Zendesk 0.625% 15/06/2025	8,855,419	0.84
8,000,000	Zscaler 0.125% 01/07/2025	11,932,143	1.14
	Total United States	434,991,579	41.52
	Virgin Islands: 1.45% (2019: 2.33%)		
6,000,000	ANLLIAN Capital 0.000% 05/02/2025	9,000,435	0.86
6,000,000	Viva Biotech Investment Management 1.000% 30/12/2025	6,210,475	0.59
	Total Virgin Islands	15,210,910	1.45
	Total Corporate Bonds	1,027,607,931	98.07
	Equities: 10.76% (2019: 3.36%)		
	United States: 10.76% (2019: 3.36%)		
25,000	2020 Cash Mandatory Exchangeable Trust	30,029,250	2.87
12,000	2020 Mandatory Exchangeable Trust	24,180,448	2.31
535,000	Change Healthcare	34,272,100	3.27
150,000	Colfax	24,231,000	2.31
	Total United States	112,712,798	10.76
	Total Equities	112,712,798	10.76
	Warrants: Nil (2019: 0.41%)		
	United Kingdom: Nil (2019: 0.41%)		
5,345,707	Premier Oil	–	–
	Total United Kingdom	–	–
	Total Warrants	–	–
	Total Transferable Securities	1,140,320,729	108.83

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Contracts for Difference (on Equities) – Unrealised Gains: 0.15% (2019: 0.04%)		
	Cayman Islands: 0.01% (2019: Nil)		
866,218	Viva Biotech	57,354	0.01
	Total Cayman Islands	57,354	0.01
	Germany: 0.14% (2019: Nil)		
62,400	Delivery Hero	1,503,185	0.14
9,100	Zalando	18,616	–
	Total Germany	1,521,801	0.14
	Japan: Nil (2019: 0.01%)	–	–
	United States: Nil (2019: 0.03%)	–	–
	Total Contracts for Difference (on Equities) – Unrealised Gains	1,579,155	0.15

Futures Contracts – Unrealised Gains: 0.11% (2019: 0.12%)

Description	Country	Currency	No. of Contracts	Unrealised Gain US$	% of Net Assets
United States: 0.11% (2019: 0.12%)					
Future Euro Exchange Mar21	US	USD	914	829,100	0.08
Future Japan Yen Mar21	US	USD	400	341,450	0.03
Total United States				1,170,550	0.11
Total Futures Contracts – Unrealised Gains				1,170,550	0.11

Open Forward Currency Contracts: 0.43% (2019: 0.26%)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
USD 79,237,721	GBP 58,857,097	1.3463	13/01/2021	1,220,127	0.12
USD 36,858,390	GBP 27,646,557	1.3332	29/01/2021	939,256	0.09
USD 62,752,431	GBP 46,491,065	1.3498	27/01/2021	807,940	0.08
USD 17,316,548	GBP 12,988,710	1.3332	29/01/2021	441,274	0.04
USD 29,363,146	EUR 24,207,584	1.2130	20/01/2021	264,667	0.03
EUR 24,623,323	GBP 22,230,921	1.3506	13/01/2021	258,221	0.03
EUR 20,737,274	GBP 18,720,159	1.3507	27/01/2021	208,525	0.02
USD 3,551,348	GBP 2,663,777	1.3332	29/01/2021	90,498	0.01
JPY 638,161,675	GBP 4,563,542	1.3506	13/01/2021	56,959	0.01
USD 2,012,618	GBP 1,509,614	1.3332	29/01/2021	51,287	–
JPY 496,082,625	GBP 3,549,164	1.3507	27/01/2021	46,228	–
EUR 1,229,124	GBP 1,126,613	1.3217	13/01/2021	36,006	–
USD 9,426,924	CHF 8,350,370	1.1289	29/01/2021	25,961	–
USD 2,069,005	GBP 1,530,870	1.3515	13/01/2021	23,700	–

Portfolio Statements continued

As at 31 December 2020

Global Convertible Fund continued

Financial assets at fair value through profit or loss

Open Forward Currency Contracts: 0.43% (2019: 0.26%) continued

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
EUR 802,880	GBP 724,061	1.3599	13/01/2021	7,311	–
EUR 633,949	GBP 572,647	1.3612	27/01/2021	6,870	–
EUR 709,734	GBP 637,980	1.3541	13/01/2021	3,620	–
JPY 227,967,813	EUR 1,806,547	1.2131	20/01/2021	2,694	–
USD 273,487	GBP 200,925	1.3611	13/01/2021	1,178	–
USD 1,508,083	EUR 1,232,850	1.2232	29/01/2021	1,138	–
EUR 91,353	GBP 82,575	1.3611	13/01/2021	1,091	–
USD 92,674	GBP 68,577	1.3514	04/01/2021	1,067	–
JPY 4,350,890	GBP 31,513	1.3320	04/01/2021	935	–
USD 27,608	GBP 20,709	1.3331	27/01/2021	704	–
USD 58,079	GBP 42,977	1.3514	04/01/2021	669	–
USD 800,408	EUR 654,463	1.2230	20/01/2021	593	–
JPY 2,174,824	GBP 15,752	1.3320	04/01/2021	468	–
USD 42,707	GBP 31,526	1.3547	13/01/2021	389	–
USD 16,352	GBP 12,231	1.3369	29/01/2021	370	–
USD 68,001	GBP 49,996	1.3601	29/01/2021	352	–
USD 26,156	GBP 19,355	1.3514	04/01/2021	301	–
EUR 9,092	GBP 8,341	1.3330	27/01/2021	274	–
EUR 30,240	GBP 27,266	1.3524	04/01/2021	272	–
USD 8,542	GBP 6,389	1.3369	29/01/2021	193	–
EUR 18,952	GBP 17,088	1.3524	04/01/2021	170	–
JPY 854,110	GBP 6,172	1.3320	04/01/2021	164	–
EUR 6,758	GBP 6,160	1.3327	20/01/2021	149	–
USD 8,588	GBP 6,365	1.3493	13/01/2021	113	–
USD 1,668,229	GBP 1,220,298	1.3671	27/01/2021	104	–
USD 1,505,735	GBP 1,101,418	1.3671	29/01/2021	94	–
EUR 13,920	GBP 12,529	1.3541	13/01/2021	93	–
JPY 2,123,410	GBP 15,112	1.3611	13/01/2021	90	–
USD 29,881	EUR 24,486	1.2203	20/01/2021	87	–
USD 7,204	GBP 5,330	1.3516	29/01/2021	83	–
EUR 8,535	GBP 7,696	1.3524	04/01/2021	77	–
USD 8,127	GBP 5,996	1.3554	05/01/2021	70	–
JPY 714,121	GBP 5,104	1.3524	04/01/2021	60	–
USD 822,648	GBP 601,752	1.3671	29/01/2021	52	–
JPY 215,991	GBP 1,567	1.3330	27/01/2021	50	–
EUR 2,843	GBP 2,581	1.3489	13/01/2021	49	–
USD 5,050	GBP 3,726	1.3555	29/01/2021	44	–

Financial assets at fair value through profit or loss

Open Forward Currency Contracts: 0.43% (2019: 0.26%) continued

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
USD 8,003	GBP 5,884	1.3601	29/01/2021	41	–
JPY 209,929	GBP 1,517	1.3320	04/01/2021	40	–
JPY 447,585	GBP 3,199	1.3524	04/01/2021	38	–
USD 69,986	EUR 57,195	1.2236	29/01/2021	30	–
USD 864	GBP 648	1.3330	29/01/2021	22	–
USD 437,698	CHF 386,667	1.1320	29/01/2021	21	–
JPY 329,434	GBP 2,348	1.3541	13/01/2021	19	–
JPY 96,454	GBP 697	1.3321	04/01/2021	19	–
JPY 201,616	GBP 1,441	1.3524	04/01/2021	17	–
USD 554	GBP 417	1.3280	13/01/2021	16	–
USD 1,310	GBP 969	1.3516	29/01/2021	15	–
EUR 2,651	GBP 2,383	1.3538	05/01/2021	14	–
USD 1,035	GBP 766	1.3514	04/01/2021	13	–
USD 173,705	GBP 127,062	1.3671	29/01/2021	11	–
USD 408	GBP 306	1.3330	13/01/2021	10	–
JPY 67,610	GBP 485	1.3489	13/01/2021	8	–
EUR 244	GBP 223	1.3279	20/01/2021	6	–
USD 100,216	GBP 73,306	1.3671	29/01/2021	6	–
EUR 1,874	JPY 237,400	0.0096	20/01/2021	6	–
USD 652	GBP 481	1.3551	04/01/2021	6	–
EUR 168	GBP 154	1.3278	13/01/2021	4	–
USD 501	GBP 370	1.3551	04/01/2021	4	–
EUR 135	GBP 124	1.3326	13/01/2021	4	–
USD 465	GBP 343	1.3551	04/01/2021	4	–
USD 381	GBP 281	1.3543	04/01/2021	4	–
EUR 338	GBP 305	1.3524	04/01/2021	3	–
JPY 62,772	GBP 447	1.3538	05/01/2021	3	–
JPY 235,876	EUR 1,869	1.2203	20/01/2021	3	–
USD 88	GBP 66	1.3330	29/01/2021	2	–
USD 699	CHF 619	1.1289	29/01/2021	2	–
EUR 212	GBP 191	1.3538	04/01/2021	1	–
USD 109	EUR 90	1.2131	20/01/2021	1	–
USD 80	GBP 59	1.3508	27/01/2021	1	–
EUR 164	GBP 147	1.3537	04/01/2021	1	–
EUR 123	GBP 111	1.3538	04/01/2021	1	–
JPY 4,433	GBP 32	1.3278	13/01/2021	1	–
EUR 151	GBP 136	1.3538	04/01/2021	1	–

Portfolio Statements continued

As at 31 December 2020

Global Convertible Fund continued

Financial assets at fair value through profit or loss

Open Forward Currency Contracts: 0.43% (2019: 0.26%) continued

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
JPY 3,308	GBP 24	1.3325	13/01/2021	1	–
JPY 7,975	GBP 57	1.3525	04/01/2021	1	–
JPY 7,555	GBP 54	1.3524	04/01/2021	1	–
USD 142	GBP 104	1.3612	13/01/2021	1	–
JPY 7,136	GBP 51	1.3524	04/01/2021	1	–
EUR 48	GBP 43	1.3612	13/01/2021	1	–
USD 1,077	GBP 788	1.3666	13/01/2021	–	–
EUR 27	GBP 24	1.3508	27/01/2021	–	–
JPY 4,913	GBP 35	1.3537	04/01/2021	–	–
JPY 3,790	GBP 27	1.3537	04/01/2021	–	–
JPY 3,510	GBP 25	1.3536	04/01/2021	–	–
JPY 2,805	GBP 20	1.3540	04/01/2021	–	–
JPY 698	GBP 5	1.3500	27/01/2021	–	–
JPY 8,319	GBP 59	1.3669	13/01/2021	–	–
JPY 1,124	GBP 8	1.3613	13/01/2021	–	–
JPY 882	EUR 7	1.2129	20/01/2021	–	–
EUR 1	GBP 1	1.3516	20/01/2021	–	–
JPY 2,398	EUR 19	1.2258	20/01/2021	–	–
EUR 1	JPY 127	0.0097	20/01/2021	–	–
USD 163	GBP 119	1.3671	29/01/2021	–	–
USD 33	CHF 29	1.1321	29/01/2021	–	–
EUR 1	USD 1	1.2200	20/01/2021	–	–
Total unrealised gain on open forward currency contracts				4,503,091	0.43
Total Financial Assets at fair value through profit or loss				1,147,573,525	109.52

Holdings	Financial liabilities at fair value through profit or loss	Fair Value US$	% of Net Assets
	Contracts for Difference (on Equities) – Unrealised Losses: (4.27%) (2019: (0.99%))		
	France: Nil (2019: (0.07%))	–	–
	Luxembourg: (2.92%) (2019: Nil)		
(3,331,375)	ArcelorMittal	(30,593,591)	(2.92)
	Total Luxembourg	(30,593,591)	(2.92)
	Spain: (0.01%) (2019: Nil)		
(23,000)	Amadeus IT	(121,685)	(0.01)
	Total Spain	(121,685)	(0.01)
	Switzerland: (0.03%) (2019: (0.01%))		
(36,000)	Dufry	(272,430)	(0.03)
	Total Switzerland	(272,430)	(0.03)
	United Kingdom: (0.04%) (2019: (0.01%))		
(1,440,674)	J Sainsbury	(469,588)	(0.04)
	Total United Kingdom	(469,588)	(0.04)
	United States: (1.27%) (2019: (0.90%))		
(1,554,396)	Change Healthcare	(6,289,105)	(0.60)
(241,495)	Chewy	(6,068,436)	(0.58)
(570,000)	Colfax	(618,507)	(0.06)
(187,500)	T-Mobile US	(320,306)	(0.03)
	Total United States	(13,296,354)	(1.27)
	Total Contracts for Difference (on Equities) – Unrealised Losses	(44,753,648)	(4.27)

Futures Contracts – Unrealised Losses: (0.04%) (2019: Nil)

Description	Country	Currency	No. of Contracts	Unrealised Loss US$	% of Net Assets
United States: (0.04%) (2019: Nil)					
Future BP Ccy CME Mar21	USD	USD	(398)	(487,276)	(0.04)
Total United States				(487,276)	(0.04)
Total Futures Contracts – Unrealised Losses				(487,276)	(0.04)

Portfolio Statements continued

As at 31 December 2020

Global Convertible Fund continued

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: (0.01%) (2019: (0.01%))

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
GBP 674,189	EUR 739,679	1.2179	13/01/2021	(16,474)	(0.01)
GBP 419,310	USD 558,862	1.3328	13/01/2021	(14,336)	–
GBP 264,297	USD 352,173	1.3325	13/01/2021	(9,122)	–
GBP 1,004,599	USD 1,366,255	1.3600	27/01/2021	(7,185)	–
GBP 209,595	USD 279,375	1.3329	27/01/2021	(7,173)	–
EUR 618,847	USD 750,727	1.2131	20/01/2021	(6,684)	–
GBP 170,231	USD 227,204	1.3347	13/01/2021	(5,503)	–
GBP 165,890	EUR 181,461	1.2179	13/01/2021	(4,719)	–
GBP 409,563	EUR 454,313	1.2263	27/01/2021	(3,804)	–
GBP 215,734	EUR 237,881	1.2131	20/01/2021	(3,782)	–
GBP 353,380	USD 480,645	1.3601	29/01/2021	(2,487)	–
GBP 97,459	EUR 106,898	1.2149	13/01/2021	(2,416)	–
GBP 82,921	EUR 90,686	1.2187	27/01/2021	(2,356)	–
GBP 118,725	JPY 16,516,473	0.0096	13/01/2021	(2,314)	–
GBP 37,798	USD 49,986	1.3225	13/01/2021	(1,684)	–
GBP 101,615	USD 137,343	1.3516	29/01/2021	(1,583)	–
GBP 130,271	USD 176,576	1.3555	29/01/2021	(1,527)	–
GBP 69,279	EUR 76,349	1.2163	13/01/2021	(1,276)	–
GBP 42,107	USD 56,435	1.3403	13/01/2021	(1,125)	–
GBP 31,514	JPY 4,351,390	0.0096	13/01/2021	(931)	–
GBP 29,865	USD 39,928	1.3369	29/01/2021	(903)	–
GBP 70,239	USD 95,181	1.3551	04/01/2021	(832)	–
GBP 77,101	JPY 10,795,374	0.0097	27/01/2021	(824)	–
GBP 24,373	USD 32,509	1.3338	13/01/2021	(809)	–
GBP 42,977	USD 58,084	1.3515	13/01/2021	(665)	–
GBP 17,077	USD 22,764	1.3330	29/01/2021	(584)	–
GBP 19,836	JPY 2,747,451	0.0096	13/01/2021	(503)	–
GBP 15,274	EUR 16,664	1.2119	13/01/2021	(488)	–
GBP 15,753	JPY 2,175,017	0.0097	27/01/2021	(465)	–
GBP 13,109	JPY 1,821,678	0.0096	13/01/2021	(275)	–
GBP 9,887	EUR 10,835	1.2136	13/01/2021	(257)	–
GBP 21,720	USD 29,440	1.3554	29/01/2021	(255)	–
GBP 13,133	USD 17,704	1.3481	13/01/2021	(249)	–
EUR 25,032	USD 30,402	1.2145	20/01/2021	(235)	–
GBP 19,288	USD 26,137	1.3551	04/01/2021	(229)	–
GBP 17,088	EUR 18,947	1.2196	13/01/2021	(174)	–
GBP 15,256	EUR 16,904	1.2095	13/01/2021	(169)	–

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: (0.01%) (2019: (0.01%)) continued

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
GBP 28,275	EUR 31,457	1.2185	04/01/2021	(161)	–
GBP 8,871	USD 11,981	1.3506	13/01/2021	(146)	–
GBP 10,293	USD 13,943	1.3546	27/01/2021	(129)	–
GBP 6,412	USD 8,661	1.3507	13/01/2021	(105)	–
GBP 2,889	JPY 397,083	0.0096	13/01/2021	(103)	–
GBP 5,504	JPY 770,087	0.0097	04/01/2021	(65)	–
GBP 1,807	USD 2,416	1.3372	13/01/2021	(54)	–
GBP 4,910	EUR 5,445	1.2155	13/01/2021	(49)	–
GBP 3,118	JPY 435,102	0.0096	13/01/2021	(48)	–
GBP 1,876	JPY 260,032	0.0096	13/01/2021	(46)	–
GBP 3,849	JPY 538,529	0.0097	04/01/2021	(45)	–
GBP 7,765	EUR 8,639	1.2185	04/01/2021	(44)	–
GBP 3,569	EUR 3,951	1.2199	13/01/2021	(44)	–
GBP 5,725	JPY 803,676	0.0097	04/01/2021	(42)	–
GBP 5,530	USD 7,520	1.3599	13/01/2021	(39)	–
GBP 3,199	JPY 447,540	0.0097	13/01/2021	(38)	–
GBP 3,142	USD 4,258	1.3551	04/01/2021	(37)	–
GBP 4,091	EUR 4,543	1.2196	27/01/2021	(32)	–
GBP 2,425	EUR 2,690	1.2173	13/01/2021	(23)	–
GBP 2,255	EUR 2,502	1.2255	13/01/2021	(21)	–
GBP 1,189	USD 1,606	1.3506	13/01/2021	(20)	–
GBP 1,388	JPY 194,201	0.0097	04/01/2021	(16)	–
GBP 766	USD 1,035	1.3516	27/01/2021	(12)	–
GBP 663	EUR 731	1.2130	13/01/2021	(12)	–
GBP 694	USD 938	1.3515	13/01/2021	(11)	–
GBP 1,572	JPY 220,677	0.0097	04/01/2021	(11)	–
GBP 677	JPY 94,566	0.0097	13/01/2021	(9)	–
GBP 998	JPY 140,059	0.0096	13/01/2021	(8)	–
GBP 223	USD 298	1.3372	13/01/2021	(7)	–
GBP 1,265	EUR 1,407	1.2185	04/01/2021	(7)	–
GBP 478	EUR 529	1.2199	13/01/2021	(6)	–
GBP 509	USD 690	1.3554	29/01/2021	(6)	–
GBP 767	JPY 107,571	0.0097	27/01/2021	(6)	–
GBP 425	JPY 59,511	0.0097	13/01/2021	(5)	–
GBP 302	USD 408	1.3507	13/01/2021	(5)	–
GBP 498	JPY 69,730	0.0096	13/01/2021	(5)	–
GBP 75	USD 100	1.3325	13/01/2021	(3)	–

Portfolio Statements continued

As at 31 December 2020

Global Convertible Fund continued

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: (0.01%) (2019: (0.01%)) continued

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
GBP 134	JPY 18,637	0.0096	13/01/2021	(3)	–
GBP 222	EUR 246	1.2202	20/01/2021	(3)	–
GBP 275	EUR 305	1.2196	13/01/2021	(3)	–
GBP 305	EUR 338	1.2203	27/01/2021	(3)	–
GBP 466	USD 634	1.3601	29/01/2021	(3)	–
GBP 292	JPY 40,855	0.0097	04/01/2021	(3)	–
GBP 281	USD 381	1.3547	13/01/2021	(3)	–
GBP 50	USD 67	1.3330	29/01/2021	(2)	–
GBP 257	JPY 36,078	0.0097	04/01/2021	(2)	–
GBP 61	USD 81	1.3348	13/01/2021	(2)	–
GBP 59	USD 79	1.3331	13/01/2021	(2)	–
GBP 64	USD 85	1.3338	13/01/2021	(2)	–
USD 288	EUR 235	1.2263	20/01/2021	(1)	–
GBP 80	USD 109	1.3601	29/01/2021	(1)	–
GBP 82	USD 112	1.3599	13/01/2021	(1)	–
GBP 51	JPY 7,135	0.0097	13/01/2021	(1)	–
GBP 53	JPY 7,415	0.0097	04/01/2021	(1)	–
GBP 27	EUR 30	1.2148	13/01/2021	(1)	–
GBP 26	EUR 28	1.2138	13/01/2021	(1)	–
GBP 57	JPY 7,974	0.0097	27/01/2021	(1)	–
GBP 19	USD 25	1.3279	13/01/2021	(1)	–
GBP 23	EUR 25	1.2221	13/01/2021	(1)	–
GBP 46	USD 62	1.3493	13/01/2021	(1)	–
GBP 111	EUR 123	1.2189	13/01/2021	(1)	–
GBP 54	USD 73	1.3493	27/01/2021	(1)	–
GBP 114	EUR 126	1.2173	13/01/2021	(1)	–
GBP 90	JPY 12,572	0.0097	13/01/2021	(1)	–
GBP 67	USD 90	1.3481	13/01/2021	(1)	–
GBP 82	EUR 90	1.2130	13/01/2021	(1)	–
GBP 3	JPY 421	0.0097	27/01/2021	–	–
GBP 3	JPY 421	0.0097	27/01/2021	–	–
GBP 3	EUR 3	1.2267	20/01/2021	–	–
GBP 1	EUR 1	1.2100	20/01/2021	–	–
GBP 5	JPY 702	0.0096	13/01/2021	–	–
EUR 356	GBP 319	1.3670	13/01/2021	–	–
GBP 2	JPY 277	0.0096	13/01/2021	–	–
GBP 3	JPY 418	0.0097	13/01/2021	–	–

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: (0.01%) (2019: (0.01%)) continued

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
GBP 6	JPY 840	0.0097	13/01/2021	–	–
GBP 4	JPY 556	0.0096	13/01/2021	–	–
GBP 5	JPY 697	0.0097	27/01/2021	–	–
GBP 4	JPY 554	0.0096	13/01/2021	–	–
GBP 1,260	USD 1,723	1.3671	29/01/2021	–	–
GBP 5	JPY 693	0.0096	13/01/2021	–	–
GBP 4	JPY 551	0.0097	13/01/2021	–	–
GBP 20	JPY 2,806	0.0097	13/01/2021	–	–
GBP 14	EUR 15	1.2306	27/01/2021	–	–
GBP 34	USD 46	1.3612	27/01/2021	–	–
GBP 7	EUR 8	1.2141	13/01/2021	–	–
GBP 17	EUR 19	1.2309	27/01/2021	–	–
GBP 34	JPY 4,773	0.0097	04/01/2021	–	–
GBP 23	JPY 3,220	0.0096	13/01/2021	–	–
GBP 42	USD 57	1.3612	27/01/2021	–	–
GBP 25	EUR 28	1.2154	13/01/2021	–	–
GBP 33	EUR 37	1.2256	13/01/2021	–	–
GBP 18	EUR 20	1.2244	13/01/2021	–	–
GBP 17	JPY 2,364	0.0096	13/01/2021	–	–
GBP 32	USD 43	1.3553	29/01/2021	–	–
GBP 22	EUR 24	1.2249	27/01/2021	–	–
GBP 25	EUR 28	1.2163	13/01/2021	–	–
Total unrealised losses on forward foreign currency contracts				(105,865)	(0.01)
Total Financial liabilities at fair value through profit or loss				(45,346,789)	(4.32)

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: USD 967,542,821)	1,102,226,736	105.20
Bank Overdraft	(64,087,192)	(6.12)
Other Net Assets	9,690,057	0.92
Net Assets Attributable to Holders of Redeemable Participating Shares	1,047,829,601	100.00

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

The counterparty for the contracts for difference is UBS AG.

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

Portfolio Statements continued

As at 31 December 2020

Global Convertible Fund continued

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities	93.59	96.48
Exchange traded financial derivative instruments	0.23	0.15
OTC financial derivative instruments	0.37	0.24
Other assets	5.81	3.13
	100.00	100.00

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

Global Insurance Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Investment Funds: 1.52% (2019: 1.78%)		
	United States: 1.52% (2019: 1.78%)		
14,442	AlphaCat Opportunities	12,191,661	0.77
1,852,599	Kinesis	11,872,252	0.75
	Total United States	24,063,913	1.52
	Total Investment Funds	24,063,913	1.52
	Equities: 95.77% (2019: 96.47%)		
	Insurance Brokers: 10.72% (2019: 12.21%)		
397,500	Aon	61,435,911	3.87
1,270,000	Marsh & McLennan Cos	108,701,847	6.85
	Total Insurance Brokers	170,137,758	10.72
	Life/Health Insurance: 4.64% (2019: 3.72%)		
440,000	Aflac	14,314,202	0.90
4,740,000	AIA	42,484,635	2.68
1,250,000	Prudential	16,837,500	1.06
	Total Life/Health Insurance	73,636,337	4.64
	Multi-line Insurance: 12.85% (2019: 12.69%)		
1,085,000	Chubb	122,172,126	7.69
18,850,000	Direct Line Insurance	60,131,500	3.79
705,000	Sampo	21,815,119	1.37
	Total Multi-line Insurance	204,118,745	12.85
	Property/Casualty Insurance: 48.27% (2019: 49.42%)		
185,000	Alleghany	81,702,068	5.15
4,600,000	Arch Capital	121,381,168	7.64
6,500,000	Beazley	23,699,000	1.49
280,000	Berkshire Hathaway	47,495,223	2.99
600,000	First American Financial	22,662,129	1.43
4,600,000	Hiscox	45,724,000	2.88
687,500	Intact Financial	59,500,621	3.75
725,000	James River	26,068,069	1.64
7,700,000	Lancashire	55,709,500	3.51
103,000	Markel	77,859,389	4.90
1,200,000	ProAssurance	15,617,249	0.98
620,000	Progressive Corp	44,848,455	2.83
275,000	RLI	20,952,667	1.32
585,000	Travelers Cos	60,072,749	3.78
1,300,000	WR Berkley	63,166,900	3.98
	Total Property/Casualty Insurance	766,459,187	48.27

Portfolio Statements continued

As at 31 December 2020

Global Insurance Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Investment Funds: 1.52% (2019: 1.78%) continued		
	Reinsurance: 19.29% (2019: 18.43%)		
2,375,000	Essent	75,057,605	4.73
253,250	Everest Re	43,369,025	2.73
267,500	Fairfax Financial	66,640,968	4.20
5,000,000	Helios Underwriting	6,875,000	0.43
562,500	Reinsurance of America	47,692,853	3.00
550,000	RenaissanceRe	66,718,603	4.20
	Total Reinsurance	306,354,054	19.29
	Total Equities	1,520,706,081	95.77
	Total Transferable Securities	1,544,769,994	97.29

Open Forward Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain GBP£	% of Net Assets
EUR 121,377	GBP 109,442	0.9017	29/01/2021	760	–
USD 93,099	GBP 68,390	0.7346	29/01/2021	294	–
Total unrealised gain on forward foreign currency contracts				1,054	–
Total Financial Assets at fair value through profit or loss				1,544,771,048	97.29

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: (0.02%) (2019: (0.01%))

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss GBP£	% of Net Assets
EUR 581	GBP 527	0.9067	29/01/2021	(7)	–
USD 1,992,666	GBP 1,494,649	0.7501	29/01/2021	(37,141)	–
EUR 14,384,419	GBP 13,197,705	0.9175	29/01/2021	(317,833)	(0.02)
Total unrealised loss on forward foreign currency contracts				(354,981)	(0.02)
Total Financial Liabilities at fair value through profit or loss				(354,981)	(0.02)

	Fair Value GBP£	% of Net Assets
Total Value of Investments (Cost: GBP 1,339,067,691)	1,544,416,067	97.27
Cash at Bank	49,422,268	3.11
Other Net Liabilities	(6,005,904)	(0.38)
Net Assets Attributable to Holders of Redeemable Participating Shares	1,587,832,431	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities	96.67	97.23
Other assets	3.33	2.77
	100.00	100.00

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

Portfolio Statements continued

As at 31 December 2020

Global Technology Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 90.47% (2019: 95.65%)		
	Basic Materials: 0.59% (2019: Nil)		
23,081	Booking Holdings	51,407,619	0.59
	Total Basic Materials	51,407,619	0.59
	Communications: 17.30% (2019: 26.87%)		
583,084	Alibaba ADR	135,701,139	1.57
82,525	Alphabet Class A	144,636,616	1.67
82,356	Alphabet Class C	144,277,829	1.67
58,538	Amazon.com	190,654,168	2.20
1,147,828	Facebook	313,540,696	3.62
126,092	Monolithic Power	46,178,673	0.54
650,383	Pinterest	42,860,240	0.50
215,038	Spotify Technology	67,663,857	0.78
3,020,400	Tencent	219,698,034	2.54
1,126,567	Uber Technologies	57,454,917	0.66
938,475	Zendesk	134,314,542	1.55
	Total Communications	1,496,980,711	17.30
	Consumer, Cyclical: 3.42% (2019: 0.52%)		
844,641	Dolby Laboratories	82,039,980	0.95
1,356,203	Lattice Semiconductor	62,141,221	0.72
514,404	Match Group	77,772,741	0.90
1,482,847	Snap	74,246,149	0.85
	Total Consumer, Cyclical	296,200,091	3.42
	Consumer, Non-Cyclical: 7.43% (2019: 3.60%)		
565,588	Chegg	51,089,564	0.59
265,690	DoorDash	37,927,248	0.44
203,047	Netflix	109,793,604	1.27
727,255	PayPal	170,323,121	1.97
653,286	Peloton Interactive	110,654,858	1.28
656,500	StoneCo	55,093,480	0.64
1,052,626	Tenable Holdings	55,010,235	0.63
75,312	Tesla Inc	53,145,419	0.61
	Total Consumer, Non-cyclical	643,037,529	7.43

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 90.47% (2019: 95.65%) continued		
	Energy: 0.51% (2019: 0.80%)		
138,499	SolarEdge	44,197,801	0.51
	Total Energy	44,197,801	0.51
	Financial: 13.54% (2019: 1.88%)		
776,500	Advantest	58,136,907	0.67
292,466	Airbnb Inc.	42,934,009	0.50
356,250	Aptiv PLC	46,415,813	0.54
1,864,000	BYD Company	48,848,611	0.56
312,857	Crowdstrike	66,269,370	0.76
320,276	CyberArk	51,753,399	0.60
477,600	FANUC	117,312,567	1.35
2,089,625	Infineon Technologies AG	80,256,721	0.93
596,305	Just Eat Takeaway.com N.V.	67,415,873	0.78
190,612	Mastercard	68,037,047	0.79
2,127,352	Ocado	66,505,595	0.77
380,000	Qorvo Inc	63,182,600	0.73
255,351	Shimano	59,568,297	0.69
274,983	Take-Two Interactive Software	57,138,718	0.66
737,907	TE Connectivity	89,338,400	1.03
3,740,439	Telefonaktiebolaget LM Ericsson	44,470,532	0.51
307,805	Visa	67,326,188	0.78
693,915	Zalando SE	77,313,559	0.89
	Total Financial	1,172,224,206	13.54
	Industrial: 5.24% (2019: 6.19%)		
255,021	Avalara Inc	42,050,413	0.49
415,663	Axon Enterprise	50,931,187	0.59
278,870	Cloudflare	21,191,331	0.24
244,600	DocuSign Inc	54,374,580	0.63
646,700	Harmonic Drive Systems	57,751,697	0.67
93,350	Keyence	52,441,280	0.61
334,462	Keysight Technologies	44,179,086	0.51
366,564	Teradyne	43,947,358	0.51
2,992,185	TripAdvisor	86,115,084	0.99
	Total Industrial	452,982,016	5.24

Portfolio Statements continued

As at 31 December 2020

Global Technology Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 90.47% (2019: 95.65%) continued		
	Technology: 42.44% (2019: 55.79%)		
1,158,101	2U Inc.	46,335,621	0.54
563,481	Activision Blizzard	52,319,211	0.60
334,079	Adobe Systems	167,079,589	1.93
2,709,696	Advanced Micro Devices	248,506,220	2.87
972,054	Analog Devices	143,601,537	1.66
99,542	ANSYS	36,213,380	0.42
2,488,327	Apple	330,176,110	3.81
1,498,100	Applied Materials	129,286,030	1.49
297,192	ASML	144,560,824	1.67
393,684	Cadence Design Systems	53,710,308	0.62
368,980	Elastic NV	53,919,047	0.63
729,265	Everbridge	108,711,534	1.26
1,050,468	FLIR Systems	46,042,012	0.53
2,147,300	Fuji Corp	56,425,250	0.65
170,530	HubSpot	67,604,913	0.78
841,000	LivePerson	52,335,430	0.60
1,226,706	Medallia	40,751,173	0.47
2,985,400	MediaTek	79,368,418	0.92
1,268,544	Microsoft	282,149,556	3.26
247,836	NVIDIA	129,419,959	1.50
581,739	Power Integrations	47,621,155	0.55
738,641	Qualcomm	112,524,570	1.30
389,578	salesforce.com	86,692,792	1.00
4,548,741	Samsung Electronics	339,177,042	3.92
249,024	ServiceNow	137,070,280	1.58
211,584	Splunk	35,946,006	0.42
2,537,586	STMicroelectronics	94,015,267	1.09
13,453,350	Taiwan Semiconductor Manufacturing	253,764,521	2.93
281,500	Tokyo Electron	104,698,533	1.21
173,080	Twilio	64,799,058	0.75
313,111	Xilinx	44,389,746	0.51
251,914	Zoom Video Communications	84,975,630	0.98
	Total Technology	3,674,190,722	42.44
	Total Equities	7,831,220,695	90.47
	Total Transferable Securities	7,831,220,695	90.47

Financial assets at fair value through profit or loss

Options Purchased: 0.58% (2019: 0.40%)

Description	Base Currency	Strike Price	No. of Contracts	Maturity Date	Fair Value US$	% of Net Assets
Option Nasdaq 100 Stock Indx Put 9500	USD	1.70	1,440	15/01/2021	244,800	–
Option Nasdaq 100 Stock Indx Put 10500	USD	52.30	1,700	19/02/2021	8,891,000	0.10
Option Apple Call 145	USD	3.20	72,575	19/02/2021	23,224,000	0.27
Option Alphabet Call 2000	USD	12.51	4,700	19/02/2021	5,879,700	0.07
Option Micros Call 240	USD	3.05	39,500	19/02/2021	12,047,500	0.14
Total Options Purchased					50,287,000	0.58

Open Forward Foreign Currency Contracts: 0.08% (2019: 0.10%)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
GBP 169,706,675	USD 226,252,939	1.3332	29/01/2021	5,765,563	0.07
CHF 92,244,807	USD 104,137,285	1.1289	29/01/2021	286,792	0.01
EUR 200,042,039	USD 244,701,424	1.2233	29/01/2021	184,702	–
EUR 148,229,360	USD 181,321,564	1.2233	29/01/2021	136,862	–
EUR 105,599,184	USD 129,174,202	1.2233	29/01/2021	97,501	–
CHF 29,584,019	USD 33,398,080	1.1289	29/01/2021	91,977	–
GBP 2,380,000	USD 3,239,890	1.3613	29/01/2021	13,984	–
GBP 373,306	USD 505,218	1.3534	29/01/2021	5,156	–
EUR 542,366	USD 661,066	1.2189	29/01/2021	2,884	–
EUR 514,091	USD 627,392	1.2204	29/01/2021	1,944	–
CHF 167,751	USD 188,901	1.1261	29/01/2021	999	–
GBP 63,311	USD 85,773	1.3548	29/01/2021	783	–
EUR 177,534	USD 216,600	1.2201	29/01/2021	732	–
CHF 75,261	USD 84,750	1.1261	29/01/2021	448	–
CHF 43,557	USD 49,072	1.1266	29/01/2021	235	–
EUR 39,846	USD 48,628	1.2204	29/01/2021	151	–
EUR 107,875	USD 131,953	1.2232	29/01/2021	105	–
CHF 9,418	USD 10,613	1.1269	29/01/2021	49	–
GBP 883	USD 1,172	1.3270	29/01/2021	35	–
CHF 294	USD 331	1.1275	29/01/2021	1	–
EUR 647	USD 791	1.2228	29/01/2021	1	–
CHF 277	USD 312	1.1296	29/01/2021	1	–
USD 7,245	CHF 6,400	1.1321	29/01/2021	1	–
GBP 21	USD 29	1.3516	29/01/2021	–	–
CHF 79	USD 89	1.1293	29/01/2021	–	–

Portfolio Statements continued

As at 31 December 2020

Global Technology Fund continued

Financial assets at fair value through profit or loss

Open Forward Foreign Currency Contracts: 0.08% (2019: 0.10%) continued

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
USD 16,919	EUR 13,821	1.2242	29/01/2021	–	–
CHF 96	USD 109	1.1311	29/01/2021	–	–
EUR 55	USD 68	1.2228	29/01/2021	–	–
USD 3,123	EUR 2,551	1.2242	29/01/2021	–	–
USD 2,033	EUR 1,660	1.2242	29/01/2021	–	–
Total unrealised gain on forward foreign currency contracts				6,590,906	0.08
Total Financial Assets at fair value through profit or loss				7,888,098,601	91.13

Financial liabilities at fair value through profit or loss

Open Forward Foreign Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
USD 6	CHF 6	1.1270	29/01/2021	–	–
EUR 30	USD 37	1.2255	29/01/2021	–	–
EUR 81	USD 100	1.2308	29/01/2021	(1)	–
USD 202	EUR 166	1.2210	29/01/2021	(1)	–
USD 603	EUR 493	1.2228	29/01/2021	(1)	–
USD 162	CHF 144	1.1274	29/01/2021	(1)	–
EUR 579	USD 709	1.2255	29/01/2021	(1)	–
USD 1,104	CHF 976	1.1311	29/01/2021	(1)	–
EUR 170	USD 210	1.2308	29/01/2021	(1)	–
EUR 1,033	USD 1,266	1.2255	29/01/2021	(1)	–
USD 659	EUR 539	1.2215	29/01/2021	(1)	–
USD 786	CHF 696	1.1293	29/01/2021	(2)	–
USD 858	EUR 703	1.2215	29/01/2021	(2)	–
USD 720	EUR 590	1.2209	29/01/2021	(2)	–
USD 900	EUR 737	1.2210	29/01/2021	(2)	–
USD 601	GBP 442	1.3596	29/01/2021	(3)	–
EUR 541	USD 666	1.2308	29/01/2021	(4)	–
USD 3,526	CHF 3,121	1.1296	29/01/2021	(8)	–
USD 1,002	GBP 745	1.3443	29/01/2021	(17)	–
USD 15,602	EUR 12,773	1.2215	29/01/2021	(34)	–
USD 15,086	CHF 13,391	1.1266	29/01/2021	(72)	–
USD 4,566	GBP 3,396	1.3444	29/01/2021	(77)	–
USD 143,128	EUR 117,011	1.2232	29/01/2021	(114)	–
USD 214,236	EUR 175,144	1.2232	29/01/2021	(170)	–
CHF 130,635	USD 148,082	1.1336	29/01/2021	(199)	–

Financial liabilities at fair value through profit or loss

Open Forward Foreign Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
USD 65,159	EUR 53,407	1.2200	29/01/2021	(220)	–
EUR 37,329	USD 45,947	1.2309	29/01/2021	(250)	–
USD 81,111	EUR 66,547	1.2189	29/01/2021	(354)	–
CHF 4,179,870	USD 4,732,171	1.1321	29/01/2021	(424)	–
CHF 310,822	USD 352,333	1.1336	29/01/2021	(472)	–
USD 183,065	EUR 150,047	1.2201	29/01/2021	(619)	–
USD 34,255	GBP 25,697	1.3330	29/01/2021	(878)	–
USD 379,344	EUR 310,838	1.2204	29/01/2021	(1,175)	–
EUR 285,772	USD 351,745	1.2309	29/01/2021	(1,911)	–
USD 174,659	GBP 131,027	1.3330	29/01/2021	(4,478)	–
EUR 831,256	USD 1,023,161	1.2309	29/01/2021	(5,559)	–
USD 2,315,016	EUR 1,899,336	1.2189	29/01/2021	(10,102)	–
Total unrealised loss on forward foreign currency contracts				(27,157)	–

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: US$ 6,121,142,355)	7,888,071,444	91.13
Cash at Bank	784,391,029	9.06
Margin Cash	9,919,032	0.12
Other Net Liabilities	(26,585,676)	(0.31)
Net Assets Attributable to Holders of Redeemable Participating Shares	8,655,795,829	100.00

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

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

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

Analysis of total assets (unaudited)	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	88.53	94.87
Exchange traded financial derivative instruments	0.57	0.40
OTC financial derivative instruments	0.07	0.10
Other assets	10.83	4.63
	100.00	100.00

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

Portfolio Statements continued

As at 31 December 2020

Healthcare Blue Chip Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 93.85% (2019: 97.74%)		
	Dental Supplies & Equipment: 1.64% (2019: Nil)		
2,822	Align Technology	1,508,020	1.64
	Total Dental Supplies & Equipment	1,508,020	1.64
	Diagnostic Equipment: 2.27% (2019: 2.53%)		
74,145	Avantor	2,087,182	2.27
	Total Diagnostic Equipment	2,087,182	2.27
	Dialysis Centers: 3.04% (2019: 2.53%)		
33,596	Fresenius Medical Care	2,803,456	3.04
	Total Dialysis Centers	2,803,456	3.04
	Disposable Medical Product: Nil (2019: 2.67%)	–	–
	Drug Delivery Systems: 3.73% (2019: 3.54%)		
13,707	Becton Dickinson	3,429,765	3.73
	Total Drug Delivery Systems	3,429,765	3.73
	Electronic Measuring Instruments: 2.26% (2019: 1.94%)		
4,939	Sartorius	2,076,414	2.26
	Total Electronic Measuring Instruments	2,076,414	2.26
	Instruments-Scientific: Nil (2019: 1.96%)	–	–
	Medical Instruments: 4.31% (2019: 6.91%)		
33,847	Medtronic	3,964,838	4.31
	Total Medical Instruments	3,964,838	4.31
	Medical Labs & Testing Services: 5.45% (2019: 4.98%)		
15,037	IQVIA	2,694,179	2.93
34,061	Syneos Health	2,320,576	2.52
	Total Medical Labs & Testing Services	5,014,755	5.45
	Medical Products: 13.83% (2019: 16.87%)		
36,298	Baxter International	2,912,551	3.16
23,060	Hill-Rom	2,259,188	2.45
64,504	Koninklijke Philips	3,455,287	3.75
52,902	Siemens Healthineers	2,717,292	2.95
9,058	Zimmer Biomet	1,395,747	1.52
	Total Medical Products	12,740,065	13.83

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 93.85% (2019: 97.74%) continued		
	Medical-Biomedical/Gene: 14.77% (2019: 11.26%)		
25,034	ACADIA Pharmaceuticals	1,338,318	1.45
14,000	Alnylam Pharmaceuticals	1,819,580	1.98
15,213	Amgen	3,497,773	3.80
5,189	Bio-Rad Laboratories	3,024,876	3.29
24,461	Incyte	2,127,618	2.31
88,542	Swedish Orphan Biovitrum	1,790,775	1.94
	Total Medical-Biomedical/Gene	13,598,940	14.77
	Medical-Drugs: 25.29% (2019: 30.41%)		
36,421	AstraZeneca	3,646,304	3.96
58,696	Bristol-Myers Squibb	3,640,913	3.96
44,300	Chugai Pharmaceutical	2,361,208	2.56
11,214	Eli Lilly	1,893,372	2.06
40,214	Horizon Therapeutics	2,941,654	3.20
17,000	PRA Health Sciences	2,132,480	2.32
9,506	Roche	3,322,987	3.61
34,558	Sanofi	3,327,707	3.62
	Total Medical-Drugs	23,266,625	25.29
	Medical-HMO: 11.28% (2019: 5.24%)		
31,283	Centene	1,877,917	2.04
7,932	Humana	3,254,262	3.54
14,955	UnitedHealth	5,244,419	5.70
	Total Medical-HMO	10,376,598	11.28
	Medical-Hospitals: Nil (2019: 3.54%)	–	–
	Medical-Wholesale Drug Distribution: 1.72% (2019: Nil)		
16,194	AmerisourceBergen	1,583,125	1.72
	Total Medical-Wholesale Drug Distribution	1,583,125	1.72
	Pharmacy Services: Nil (2019: 3.36%)	–	–
	Physical Therapy/Rehab Centers: 1.98% (2019: Nil)		
22,000	Encompass Health	1,819,180	1.98
	Total Physical Therapy/Rehab Centers	1,819,180	1.98
	Therapeutics: 2.28% (2019: Nil)		
21,914	Neurocrine Biosciences	2,100,457	2.28
	Total Therapeutics	2,100,457	2.28
	Total Equities	86,369,420	93.85
	Total Transferable Securities	86,369,420	93.85

Portfolio Statements continued

As at 31 December 2020

Healthcare Blue Chip Fund continued

Financial assets at fair value through profit or loss

Open Forward Foreign Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain US$	% of Net Assets
USD 1,870	GBP 1,403	1.3332	29/01/2021	48	–
Total unrealised gain on forward foreign currency contracts				48	–
Total Financial Assets at fair value through profit or loss				86,369,468	93.85

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: US$ 81,418,051)	86,369,468	93.85
Cash at Bank	4,573,008	4.97
Other Net Assets	1,087,771	1.18
Net Assets Attributable to Holders of Redeemable Participating Shares	92,030,247	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	91.66	95.62
Other assets	8.34	4.38
	100.00	100.00

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

Healthcare Discovery Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 93.43%		
	Commercial Services: 1.03%		
11,350	Medley	499,094	1.03
	Total Commercial Services	499,094	1.03
	Consulting Services: 1.06%		
21,343	R1 RCM	512,659	1.06
	Total Consulting Services	512,659	1.06
	Containers-Metal/Glass: 2.34%		
10,583	Gerresheimer	1,136,260	2.34
	Total Containers-Metal/Glass	1,136,260	2.34
	Diagnostic Equipment: 0.66%		
1,509	Repligen	289,170	0.60
34,847	VERICI DX PLC	27,866	0.06
	Total Diagnostic Equipment	317,036	0.66
	Diagnostic Kits: 3.27%		
30,237	Meridian Bioscience	565,130	1.17
10,231	NATERA INC.	1,018,189	2.10
	Total Diagnostic Kits	1,583,319	3.27
	Disposable Medical Product: 2.43%		
6,256	CONMED Corporation	700,672	1.45
2,223	ICU Medical	476,811	0.98
	Total Disposable Medical Product	1,177,483	2.43
	Drug Delivery Systems: 1.27%		
21,741	Revance Therapeutics	616,140	1.27
	Total Drug Delivery Systems	616,140	1.27
	Health Care Cost Contain: 0.63%		
4,381	HealthEquity	305,400	0.63
	Total Health Care Cost Contain	305,400	0.63
	Healthcare Safety Device: 2.11%		
10,669	Tandem Diabetes Care	1,020,810	2.11
	Total Healthcare Safety Device	1,020,810	2.11
	Insurance Brokers: 0.58%		
3,984	eHealth	281,310	0.58
	Total Insurance Brokers	281,310	0.58

Portfolio Statements continued

As at 31 December 2020

Healthcare Discovery Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 93.43% continued		
	Medical Information Sys: 1.70%		
44,248	Change Healthcare	825,225	1.70
	Total Medical Information Sys	825,225	1.70
	Medical Instruments: 4.46%		
16,904	BRUKER	915,014	1.89
51,937	Elekta AB	698,497	1.44
4,554	Silk Road Medical	286,811	0.59
532	Tecan	261,080	0.54
	Total Medical Instruments	2,161,402	4.46
	Medical Labs & Testing Services: 6.81%		
32,363	Evotec	1,199,020	2.47
7,184	Medpace	1,000,013	2.06
16,210	Syneos Health	1,104,387	2.28
	Total Medical Labs & Testing Services	3,303,420	6.81
	Medical Products: 12.61%		
15,050	Envista Holdings	507,637	1.05
6,367	Establishment Labs	239,654	0.49
7,329	Globus Medical	477,997	0.98
8,322	Haemonetics	988,238	2.04
12,846	Hill-Rom	1,258,523	2.60
6,674	Intersect ENT	152,835	0.32
5,471	iRhythm Technologies	1,297,776	2.68
34,847	Renalytix AI	232,216	0.48
19,901	SeaSpine	347,272	0.72
13,527	Tactile Systems Technology	607,903	1.25
	Total Medical Products	6,110,051	12.61
	Medical-Biomedical/Gene: 22.26%		
17,908	ACADIA Pharmaceuticals	957,362	1.98
10,415	Acceleron Pharma	1,332,495	2.75
55,417	Aptose Biosciences	242,726	0.50
12,456	Arena Pharmaceuticals	956,994	1.97
1,213	Argenx	359,168	0.74
2,524	Ascendis Pharma ADR	420,953	0.87
7,537	Biohaven Pharmaceutical	645,996	1.33
9,377	ChemoCentryx	580,624	1.20
63,287	Exelixis	1,270,170	2.62
26,301	Insmed	875,560	1.81

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 93.43% continued		
10,558	Intra-Cellular Therapies	335,744	0.69
937	Rocket Pharmaceuticals	51,385	0.11
56,816	Swedish Orphan Biovitrum	1,149,112	2.37
3,283	United Therapeutics	498,327	1.03
12,908	Vericel	398,599	0.82
7,633	Y-mAbs Therapeutics	377,910	0.78
2,482	Zai Lab ADR	335,914	0.69
	Total Medical-Biomedical/Gene	10,789,039	22.26
	Medical-Drugs: 11.49%		
222,058	Alliance Pharma	265,903	0.55
1,815	ALK-Abello	745,870	1.54
48,790	Avadel Pharmaceuticals ADR	325,917	0.67
12,672	Hikma Pharmaceuticals	436,167	0.90
17,132	Horizon Therapeutics	1,253,206	2.58
27,539	Ocular Therapeutix Inc	570,057	1.18
31,991	Richter Gedeon Nyrt	802,958	1.66
22,031	uniQure	795,980	1.64
10,231	Zealand Pharma	370,997	0.77
	Total Medical-Drugs	5,567,055	11.49
	Medical-HMO: 2.50%		
14,638	Magellan Health	1,212,612	2.50
	Total Medical-HMO	1,212,612	2.50
	Medical-Hospitals: 3.58%		
7,779	ACADIA Pharmaceuticals	390,973	0.81
10,196	Surgery Partners	295,786	0.61
26,156	Tenet Healthcare	1,044,409	2.16
	Total Medical-Hospitals	1,731,168	3.58
	Medical-Outpatient/Home Med: 4.29%		
5,111	Addus HomeCare	598,446	1.24
1,423	Chemed	757,904	1.56
3,377	LHC	720,382	1.49
	Total Medical-Outpatient/Home Med	2,076,732	4.29
	Medical-Wholesale Drug Distribution: 4.57%		
18,196	AdaptHealth	683,442	1.41
22,054	Owens & Minor	596,561	1.23
16,800	Ship Healthcare	934,011	1.93
	Total Medical-Wholesale Drug Distribution	2,214,014	4.57

Portfolio Statements continued

As at 31 December 2020

Healthcare Discovery Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 93.43% continued		
	Pharmacy Services: 1.13%		
34,930	Option Care Health	546,305	1.13
	Total Pharmacy Services	546,305	1.13
	Physical Therapy/Rehab Centers: 2.65%		
15,547	Encompass Health	1,285,581	2.65
	Total Physical Therapy/Rehab Centers	1,285,581	2.65
	Total Equities	45,272,115	93.43
	Total Transferable Securities	45,272,115	93.43
	Total Value of Investments (Cost: US$ 38,267,702)	45,272,115	93.43
	Cash at bank	3,338,624	6.89
	Other Net Liabilities	(153,943)	(0.32)
	Net Assets Attributable to Holders of Redeemable Participating Shares	48,456,796	100.00

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

Analysis of total assets	31 December 2020 % of Total Assets
Transferable securities admitted to official stock exchange listing	92.89
Other assets	7.11
	100.00

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

Healthcare Opportunities Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 99.05% (2019: 100.26%)		
	Commercial Services: 2.36% (2019: 0.91%)		
1,140,200	Medley	50,138,099	2.36
	Total Commercial Services	50,138,099	2.36
	Containers-Paper/Plastic: 1.05% (2019: Nil)		
163,012	AptarGroup	22,314,713	1.05
	Total Containers-Paper/Plastic	22,314,713	1.05
	Dental Supplies & Equipment: 3.87% (2019: Nil)		
153,792	Align Technology	82,183,369	3.87
	Total Dental Supplies & Equipment	82,183,369	3.87
	Diagnostic Equipment: 6.15% (2019: 7.01%)		
2,298,682	Avantor	64,707,898	3.05
1,688,385	Oxford Immunotec Global	29,487,644	1.39
6,992,207	Quotient	36,429,398	1.71
	Total Diagnostic Equipment	130,624,940	6.15
	Dialysis: Nil (2019: 2.48%)	–	–
	Disposable Medical Product: 4.14% (2019: 2.33%)		
688,231	Merit Medical Systems	38,203,703	1.80
120,563	Teleflex	49,620,114	2.34
	Total Disposable Medical Product	87,823,817	4.14
	Drug Delivery Systems: 1.51% (2019: 0.74%)		
1,132,993	Revance Therapeutics	32,109,022	1.51
	Total Drug Delivery Systems	32,109,022	1.51
	Medical Instruments: Nil (2019: 3.33%)	–	–
	Medical Labs & Testing Services: 5.38% (2019: Nil)		
551,158	Catalent	57,359,013	2.70
836,058	Syneos Health	56,960,632	2.68
	Total Medical Laboratories & Testing Services	114,319,645	5.38
	Medical Products: 8.25% (2019: 18.84%)		
411,976	AtriCure	22,934,704	1.08
852,524	Axonics Modulation Technologies	42,557,998	2.00
335,529	Globus Medical	21,883,201	1.03
280,768	Haemonetics	33,341,200	1.57
288,102	STERIS Plc	54,606,853	2.57
	Total Medical Products	175,323,956	8.25

Portfolio Statements continued

As at 31 December 2020

Healthcare Opportunities Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 99.05% (2019: 100.26%) continued		
	Medical-Biomedical/Gene: 12.47% (2019: 10.02%)		
683,837	ADC Therapeutics SA	21,889,622	1.03
251,473	Allogene Therapeutics	6,347,179	0.30
528,297	Biohaven Pharmaceutical	45,280,336	2.13
132,710	Bio-Rad Laboratories	77,361,967	3.64
465,000	Black Diamond Therapeutics	14,903,250	0.70
471,817	ChemoCentryx	29,214,909	1.38
877,925	Immunovant	40,551,356	1.91
124,063	Rocket Pharmaceuticals	6,803,615	0.32
1,532,922	Trillium Therapeutics	22,549,283	1.06
	Total Medical-Biomedical/Gene	264,901,517	12.47
	Medical-Drugs: 29.79% (2019: 44.23%)		
75,224	ALK-Abello	30,913,126	1.46
784,783	AstraZeneca	78,568,884	3.70
2,694,369	Avadel Pharmaceuticals ADR	17,998,385	0.85
2,056,588	Cytokinetics	42,735,899	2.01
1,089,994	Horizon Therapeutics	79,733,061	3.75
1,085,156	Johnson & Johnson	170,781,851	8.03
13,571,429	Redx Pharma	11,594,666	0.55
1,419,202	Richter Gedeon Chemical Factory Plc	35,621,260	1.68
334,310	Roche	116,863,838	5.50
1,323,449	Zealand Pharma	47,990,934	2.26
	Total Medical-Drugs	632,801,904	29.79
	Medical-HMO: 5.56% (2019: Nil)		
176,415	Humana	72,377,782	3.41
214,532	Molina Healthcare	45,626,666	2.15
	Total Medical-HMO	118,004,448	5.56
	Medical-Hospitals: 1.08% (2019: 3.44%)		
788,858	Surgery Partners	22,884,770	1.08
	Total Medical-Hospitals	22,884,770	1.08
	Medical-Nursing Homes: Nil% (2019: 2.43%)	–	–
	Medical-Outpatient/Home Med: 3.70% (2019: 1.41%)		
411,832	Addus HomeCare	48,221,409	2.27
218,809	ModivCare	30,333,492	1.43
	Total Medical-Outpatient/Home Med	78,554,901	3.70

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 99.05% (2019: 100.26%) continued		
	Medical-Wholesale Drug Distribution: 6.23% (2019: 1.61%)		
1,549,276	AdaptHealth	58,190,806	2.74
419,100	Ship Healthcare	23,300,247	1.10
12,646,225	Uniphar – En Dublin	36,826,429	1.73
4,595,623	Uniphar – London	14,057,437	0.66
	Total Medical-Whsle Drug Dist	132,374,919	6.23
	Optical Supplies: 2.92% (2019: Nil)		
398,133	EssilorLuxottica	62,134,153	2.92
	Total Optical Supplies	62,134,153	2.92
	Pharmacy Services: 2.56% (2019: Nil)		
96,529	Cigna	20,095,406	0.94
2,204,576	Option Care Health	34,479,569	1.62
	Total Pharmacy Services	54,574,975	2.56
	Physical Therapy/Rehab Centers: 2.03% (2019: Nil)		
522,785	Encompass Health	43,229,092	2.03
	Total Physchology Therapy/Rehab Centers	43,229,092	2.03
	Wound/Burn & Skin Care: Nil (2019: 1.48%)	–	–
	Total Equities	2,104,298,240	99.05
	Total Transferable Securities	2,104,298,240	99.05

Open Forward Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gains US$	% of Net Assets
USD 7,840,184	GBP 5,801,583	1.3514	04/01/2021	90,291	–
USD 3,143,859	EUR 2,570,087	1.2233	29/01/2021	2,373	–
Total unrealised gain on forward foreign currency contracts				92,664	–
Total Financial Assets at fair value through profit or loss				2,104,390,904	99.05

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss US$	% of Net Assets
EUR 1,720	USD 2,098	1.2201	29/01/2021	(7)	–
Total unrealised loss on forward foreign currency contracts				(7)	–
Total Financial Liabilities at fair value through profit or loss				(7)	–

Portfolio Statements continued

As at 31 December 2020

Healthcare Opportunities Fund continued

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: US$ 1,746,783,372)	2,104,390,897	99.05
Cash at bank	1,941,735	0.09
Margin Cash	20,502,228	0.97
Other Net Liabilities	(2,253,515)	(0.11)
Net Assets Attributable to Holders of Redeemable Participating Shares	2,124,581,345	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	98.35	98.19
Other assets	1.65	1.81
	100.00	100.00

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

Income Opportunities Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Corporate Bonds: 32.10% (2019: 29.56%)		
	Georgia: Nil (2019: 0.44%)	-	-
	Luxembourg: Nil (2019: 2.61%)	-	-
	Marshall Islands: 1.22% (2019: 1.51%)		
1,000,000	Borealis Finance 7.5% 16/11/2022	729,361	1.22
	Total Marshall Islands	729,361	1.22
	Mauritius: 1.69% (2019: 0.77%)		
300,000	Bayport Management 10.5% 19/12/2022	202,458	0.34
1,100,000	Bayport Management 11.5% 14/06/2022	803,202	1.35
	Total Maritius	1,005,660	1.69
	Netherlands: 4.71% (2019: 1.73%)		
2,000,000	ING Groep FRN (Perpetual)	1,678,657	2.81
955,525	Stichting AK Rabobank Certificaten FRN	1,136,247	1.90
	Total Netherlands	2,814,904	4.71
	Norway: Nil (2019: 0.68%)	-	-
	United Kingdom: 16.18% (2019: 16.45%)		
50,000	HDL Debenture 10.375% 31/07/2023	57,754	0.10
800,000	HSBC Bank FRN (Perpetual)	517,933	0.87
700,000	International Personal Finance 9.75% 11/12/2025	612,312	1.03
16,000,000	International Personal Finance FRN 15/06/2022	1,353,982	2.27
750,000	Jupiter Fund Management FRN 07/27/2030	830,016	1.39
275,000	National Westminster Bank 11.5% (Perpetual)	461,313	0.77
1,100,000	National Westminster Bank FRN (Perpetual)	748,607	1.25
1,400,000	National Westminster Bank FRN (Perpetual)	952,772	1.60
300,000	Nationwide Building Society FRN (Perpetual)	323,427	0.54
5,525	Nationwide Building Society FRN (Perpetual)	984,831	1.65
400,000	Pension Insurance FRN (Perpetual)	477,813	0.80
650,000	Provident Financial 8.25% 04/06/2023	656,013	1.10
750,000	Rothesay Life FRN (Perpetual)	845,591	1.41
300,000	Shawbrook FRN (Perpetual)	232,500	0.39
600,000	Shawbrook FRN 10/10/2030	600,750	1.01
	Total United Kingdom	9,655,614	16.18

Portfolio Statements continued

As at 31 December 2020

Income Opportunities Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Corporate Bonds: 32.10% (2019: 29.56%) continued		
	United States: 8.30% (2019: 5.37%)		
1,099,700	Burford Capital Finance 6.125% 12/08/2025	784,379	1.31
900,000	Dresdner Funding Trust I 8.151% 30/06/2031	973,589	1.63
410,000	Morgan Stanley FRN 31/08/2031	297,313	0.50
492,000	Morgan Stanley FRN 30/09/2031	341,929	0.57
350,000	Morgan Stanley FRN 30/11/2031	253,804	0.43
425,000	Morgan Stanley FRN 13/01/2032	307,802	0.52
245,000	Morgan Stanley FRN 31/01/2032	177,439	0.30
240,000	Morgan Stanley FRN 28/02/2032	163,283	0.27
132,000	Morgan Stanley FRN 15/03/2032	92,220	0.15
1,360,000	Morgan Stanley FRN 30/04/2032	932,733	1.56
250,000	Morgan StanleyLLC FRN 14/02/2031	165,743	0.28
625,000	Wachovia Capital Trust III 5.570% 29/03/2049	464,140	0.78
	Total United States	4,954,374	8.30
	Total Corporate Bonds	19,159,913	32.10
	Equities: 68.64% (2019: 62.57%)		
	Australia: 0.66% (2019: 0.34%)		
600,000	Litigation Capital Management	396,000	0.66
	Total Australia	396,000	0.66
	Belgium: 2.05% (2019: 2.00%)		
23,800	KBC Bank	1,220,251	2.05
	Total Belgium	1,220,251	2.05
	Bermuda: 4.26% (2019: 2.42%)		
46,000	Arch Capital	1,213,812	2.03
19,125	Bank of NT Butterfield & Son	435,960	0.73
123,450	Lancashire	893,161	1.50
	Total Bermuda	2,542,933	4.26
	Canada: 1.42% (2019: 1.09%)		
20,545	Toronto-Dominion Bank	848,465	1.42
	Total Canada	848,465	1.42
	Finland: 3.27% (2019: 2.64%)		
63,000	Sampo	1,949,436	3.27
	Total Finland	1,949,436	3.27
	France: 0.71% (2019: 1.15%)		
11,000	BNP Paribas	424,414	0.71
	Total France	424,414	0.71

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Equities: 68.64% (2019: 62.57%) continued		
	Germany: 2.01% (2019: 1.13%)		
6,675	Allianz	1,199,134	2.01
	Total Germany	1,199,134	2.01
	Guernsey: 5.37% (2019: 4.29%)		
330,000	Doric Nimrod Air Two	264,000	0.44
2,350,000	DP Aircraft I	103,149	0.17
475,000	ICG-Longbow Senior Secured UK Property Debt Investments	410,875	0.69
575,000	Real Estate Credit Investments	759,000	1.27
1,200,000	Tufton Oceanic Assets Fund	812,027	1.36
1,300,000	UK Mortgages	858,000	1.44
	Total Guernsey	3,207,051	5.37
	Italy: Nil (2019: 0.72%)	–	–
	Japan: Nil (2019: 0.79%)	–	–
	Netherlands: 1.83% (2019: 1.89%)		
159,375	ING Groep	1,090,033	1.83
	Total Netherlands	1,090,033	1.83
	Norway: 2.06% (2019: 1.73%)		
147,000	SpareBank 1 SMN	1,225,863	2.06
	Total Norway	1,225,863	2.06
	Singapore: 2.24% (2019: 4.56%)		
800,000	Fortune Real Estate Investment Trust REIT	557,782	0.93
140,000	Oversea-Chinese Banking	779,573	1.31
	Total Singapore	1,337,355	2.24
	Switzerland: 4.33% (2019: 2.89%)		
15,160	Chubb	1,707,032	2.86
85,000	UBS	877,213	1.47
	Total Switzerland	2,584,245	4.33
	Thailand: 2.39% (2019: 1.07%)		
200,000	Kasikornbank	551,841	0.92
405,500	Tisco Financial	876,273	1.47
	Total Thailand	1,428,114	2.39

Portfolio Statements continued

As at 31 December 2020

Income Opportunities Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Equities: 68.64% (2019: 62.57%) continued		
	United Kingdom: 18.41% (2019: 14.97%)		
417,977	Chenavari Capital Solutions	146,292	0.25
29,750	Bank of Georgia	362,950	0.61
178,500	City of London Investment	781,830	1.31
395,000	Direct Line Insurance	1,260,050	2.11
200,000	Frenkel Topping	84,000	0.14
525,000	International Personal Finance	427,875	0.72
250,000	Legal & General	665,500	1.12
1,500,000	Morses Club	740,250	1.24
313,378	Orchard Funding	180,192	0.30
318,750	OSB	1,350,225	2.26
540,000	Personal	1,112,400	1.86
235,000	Premier Asset Management	346,624	0.58
3,000,000	Riverstone Credit Opportunities Income Fund	1,497,860	2.51
750,000	RM Secured Direct Lending	652,500	1.09
1,750,000	VPC Specialty Lending Investments Plc	1,377,250	2.31
	Total United Kingdom	10,985,798	18.41
	United States: 17.63% (2019: 18.89%)		
89,250	Ares Capital	1,102,771	1.85
46,750	Bank of America	1,036,609	1.74
17,750	Blackstone Group	841,565	1.41
8,500	First Republic Bank	913,643	1.53
91,500	Golub Capital BDC	946,494	1.59
27,750	JPMorgan Chase	2,579,606	4.32
8,000	PNC Financial Services Group	872,013	1.46
78,900	Solar Capital	1,010,673	1.69
55,250	Wells Fargo	1,219,829	2.04
	Total United States	10,523,203	17.63
	Total Equities	40,962,295	68.64
	Total Transferable Securities	60,122,208	100.74
	Futures Contracts – Unrealised Gains: Nil (2019: 0.08%)		
	Total Financial Assets at fair value through profit or loss	60,122,208	100.74

Financial liabilities at fair value through profit or loss

Futures Contracts – Unrealised Losses: (0.02%) (2019: (0.02%))

Description	Country	Currency	No. of Contracts	Unrealised Loss GBP£	% of Net Assets
United Kingdom: (0.02%) (2019: Nil)					
Future LIF Long Gilt Mar21	GB	GBP	(10)	(14,000)	(0.02)
Total United Kingdom				(14,000)	(0.02)
United States: Nil (2019: (0.02%))				–	–
Total Futures Contracts – Unrealised Losses				(14,000)	(0.02)

Open Forward Currency Contracts: (0.96%) (2019: (0.32%))

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss GBP£	% of Net Assets
GBP 10,975,519	USD 14,632,562	0.7501	29/01/2021	(272,737)	(0.46)
GBP 8,566,528	USD 11,420,896	0.7501	29/01/2021	(212,875)	(0.36)
GBP 1,595,412	EUR 1,738,869	0.9175	29/01/2021	(38,421)	(0.07)
GBP 1,415,073	EUR 1,542,314	0.9175	29/01/2021	(34,078)	(0.06)
GBP 182,203	EUR 198,587	0.9175	29/01/2021	(4,388)	(0.01)
GBP 110,274	USD 150,116	0.7346	29/01/2021	(474)	–
GBP 8,871	EUR 9,669	0.9175	29/01/2021	(214)	–
GBP 1,289	USD 1,711	0.7536	29/01/2021	(38)	–
Total unrealised loss on forward foreign currency contracts				(563,225)	(0.96)
Total Financial Liabilities at fair value through profit or loss				(577,225)	(0.96)

	Fair Value GBP£	% of Net Assets
Total Value of Investments (Cost: GBP 60,957,889)	59,544,983	99.78
Cash at Bank	617,784	1.03
Margin Cash	71,626	0.12
Other Net Liabilities	(554,779)	(0.93)
Net Assets Attributable to Holders of Redeemable Participating Shares	59,679,614	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	98.18	91.40
Exchange traded financial derivative instruments	–	0.08
Other assets	1.82	8.52
	100.00	100.00

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

Portfolio Statements continued

As at 31 December 2020

Japan Value Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value JPY	% of Net Assets
	Equities: 98.33% (2019: 91.92%)		
	Basic Materials: 5.31% (2019: 6.85%)		
269,500	Kuraray	295,641,500	1.65
179,900	Nihon Parkerizing	192,313,100	1.07
12,000	SK Kaken	465,600,000	2.59
	Total Basic Materials	953,554,600	5.31
	Communications: 12.14% (2019: 9.90%)		
250,000	CONEXIO	357,250,000	1.99
170,000	KDDI	521,220,000	2.90
131,500	Okinawa Cellular Telephone	585,175,000	3.26
185,000	Tokyo Broadcasting System	335,220,000	1.87
225,400	TV Asahi	381,376,800	2.12
	Total Communications	2,180,241,800	12.14
	Consumer, Cyclical: 9.63% (2019: 19.20%)		
145,000	Bridgestone	490,680,000	2.73
60,000	Denso	368,040,000	2.05
345,000	H2O Retailing	240,810,000	1.34
229,700	Topre	363,155,700	2.02
175,000	United Arrows	267,050,000	1.49
	Total Consumer, Cyclical	1,729,735,700	9.63
	Consumer, Non-cyclical: 16.84% (2019: 10.43%)		
140,000	Aeon Delight	376,040,000	2.09
125,000	Kissei Pharmaceutical	279,625,000	1.56
108,900	San-A	475,348,500	2.65
194,770	Secom Joshinetsu	701,172,000	3.91
95,000	Suntory Beverage & Food	346,750,000	1.93
72,900	Taisho Pharmaceutical	506,655,000	2.82
319,000	Toppan Forms	337,183,000	1.88
	Total Consumer, Non-cyclical	3,022,773,500	16.84
	Energy: 1.61% (2019: 2.74%)		
517,900	Inpex	287,952,400	1.61
	Total Energy	287,952,400	1.61

Holdings	Financial assets at fair value through profit or loss	Fair Value JPY	% of Net Assets
	Equities: 98.33% (2019: 91.92%) continued		
	Financial: 14.47% (2019: 17.80%)		
160,000	Aeon Mall	272,320,000	1.52
50,000	JAFCO	257,500,000	1.43
750,000	Mitsubishi UFJ Lease & Finance	371,250,000	2.07
210,000	Mitsui Fudosan	453,285,000	2.52
160,000	Sumitomo Mitsui Financial	510,080,000	2.84
138,200	Tokio Marine	733,565,600	4.09
	Total Financial	2,598,000,600	14.47
	Industrial: 29.41% (2019: 25.00%)		
350,000	Alps Alpine	475,300,000	2.65
427,300	Cosel	537,116,100	2.99
848,200	Daiwa Industries	892,306,400	4.97
418,400	HI-LEX	642,244,000	3.58
212,100	JSP	367,145,100	2.05
147,300	Kaga Electronics	351,163,200	1.96
58,700	Kyocera	371,336,200	2.07
380,000	Maeda	348,460,000	1.94
260,400	Mirait	460,387,200	2.56
415,000	Nikon	270,165,000	1.50
115,900	Nitto Kohki	202,709,100	1.13
125,000	Toshiba	360,625,000	2.01
	Total Industrial	5,278,957,300	29.41
	Technology: 8.92% (2019: Nil)		
160,000	DTS	340,160,000	1.89
537,300	Forum Engineering	467,451,000	2.60
122,000	NS Solutions	370,880,000	2.07
300,000	NTT Data	423,300,000	2.36
	Total Technology	1,601,791,000	8.92
	Total Equities	17,653,006,900	98.33
	Total Transferable Securities	17,653,006,900	98.33

Portfolio Statements continued

As at 31 December 2020

Japan Value Fund continued

Financial assets at fair value through profit or loss

Open Forward Currency Contracts: 0.22% (2019: 0.13%)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gain JPY	% of Net Assets
JPY 1,873,166,842	GBP 13,589,724	137.8370	29/01/2021	28,909,164	0.16
JPY 500,595,303	GBP 3,631,792	137.8370	29/01/2021	7,725,842	0.04
JPY 774,250,866	EUR 6,122,012	126.4700	29/01/2021	1,168,720	0.01
JPY 579,975,602	EUR 4,585,875	126.4700	29/01/2021	875,464	0.01
JPY 251,700,326	CHF 2,156,446	116.7200	29/01/2021	103,337	–
JPY 243,840,834	CHF 2,089,109	116.7200	29/01/2021	100,110	–
JPY 5,097,807	GBP 36,702	138.8959	05/01/2021	39,826	–
JPY 3,554,142	GBP 25,595	138.8608	04/01/2021	28,690	–
GBP 21,711	JPY 3,056,121	140.7637	29/01/2021	17,356	–
USD 246,246	JPY 25,438,543	103.3054	29/01/2021	12,411	–
USD 50,395	JPY 5,215,011	103.4822	29/01/2021	11,449	–
JPY 5,238,781	EUR 41,422	126.4734	06/01/2021	6,309	–
JPY 115,986	GBP 841	137.8374	29/01/2021	1,790	–
USD 4,519	JPY 468,104	103.5860	05/01/2021	1,360	–
USD 89,499	JPY 9,242,562	103.2700	29/01/2021	1,343	–
GBP 668	JPY 94,120	140.7970	05/01/2021	546	–
USD 20,109	JPY 2,076,691	103.2700	29/01/2021	302	–
USD 4,858	JPY 501,852	103.3053	29/01/2021	244	–
USD 837	JPY 86,577	103.4818	29/01/2021	190	–
JPY 104,005	EUR 822	126.4698	29/01/2021	157	–
USD 1,869	JPY 193,138	103.3376	04/01/2021	96	–
GBP 87	JPY 12,239	140.7752	04/01/2021	69	–
USD 991	JPY 102,438	103.3370	04/01/2021	50	–
JPY 109,753	CHF 940	116.7200	29/01/2021	45	–
USD 89	JPY 9,208	103.5887	05/01/2021	27	–
USD 422	JPY 43,582	103.3385	04/01/2021	22	–
GBP 91	JPY 12,761	140.0461	29/01/2021	7	–
JPY 174	GBP 1	139.2000	04/01/2021	1	–
USD 32	JPY 3,335	103.2828	29/01/2021	1	–
Total unrealised gain on open forward foreign currency contracts				39,004,928	0.22
Total Financial Assets at fair value through profit or loss				17,692,011,828	98.55

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: (0.04%) (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Loss JPY	% of Net Assets
JPY 2,706,687,855	USD 26,176,865	103.4000	29/01/2021	(3,795,637)	(0.02)
JPY 1,716,016,006	USD 16,595,899	103.4000	29/01/2021	(2,406,400)	(0.02)
GBP 36,702	JPY 5,096,512	138.8606	29/01/2021	(40,507)	–
JPY 28,787,137	USD 278,406	103.4000	29/01/2021	(40,369)	–
GBP 19,767	JPY 2,745,312	138.8819	04/01/2021	(21,740)	–
JPY 3,057,258	GBP 21,711	140.8161	06/01/2021	(18,146)	–
JPY 25,448,023	USD 246,246	103.3439	05/01/2021	(14,504)	–
EUR 41,422	JPY 5,239,419	126.4888	29/01/2021	(7,129)	–
EUR 32,327	JPY 4,090,831	126.5465	29/01/2021	(3,698)	–
JPY 9,246,339	USD 89,499	103.3122	04/01/2021	(2,323)	–
JPY 468,007	USD 4,519	103.5645	29/01/2021	(1,399)	–
JPY 5,076,172	USD 49,134	103.3122	04/01/2021	(1,276)	–
JPY 112,787	GBP 801	140.8077	06/01/2021	(670)	–
JPY 94,098	GBP 668	140.7641	29/01/2021	(535)	–
JPY 2,077,539	USD 20,109	103.3122	04/01/2021	(522)	–
GBP 322	JPY 44,748	138.8827	04/01/2021	(354)	–
JPY 502,039	USD 4,858	103.3438	05/01/2021	(286)	–
GBP 51	JPY 6,956	137.3075	29/01/2021	(135)	–
JPY 193,078	USD 1,869	103.3055	29/01/2021	(94)	–
JPY 9,206	USD 89	103.5662	29/01/2021	(28)	–
JPY 43,568	USD 422	103.3054	29/01/2021	(21)	–
EUR 15	JPY 1,862	126.4087	29/01/2021	(4)	–
GBP 1	JPY 174	139.2000	29/01/2021	(1)	–
Total unrealised loss on forward open foreign currency contracts				(6,355,778)	(0.04)
Total Financial Liabilities at fair value through profit or loss				(6,355,778)	(0.04)

	Fair Value JPY	% of Net Assets
Total Value of Investments (Cost: JPY 18,263,511,963)	17,685,656,050	98.51
Cash at bank	255,931,723	1.43
Other Net Assets	11,707,666	0.06
Net Assets Attributable to Holders of Redeemable Participating Shares	17,953,295,439	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	97.62	91.60
OTC financial derivative instruments	0.22	0.13
Other assets	2.16	8.27
	100.00	100.00

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

Portfolio Statements continued

As at 31 December 2020

North American Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Investment Fund: Nil (2019: 1.28%)		
	Ireland: Nil (2019: 1.28%)	–	–
	Total Investment Funds		
	Equities: 97.34% (2019: 96.07%)		
	Basic Materials: Nil (2019: 1.42%)	–	–
	Communications: 23.30% (2019: 15.55%)		
29,354	Alphabet	51,424,686	4.87
18,177	Amazon.com	59,201,217	5.61
5,594	Booking	12,459,348	1.18
108,585	eBay	5,456,396	0.52
101,172	Facebook	27,636,144	2.62
101,720	IAC/InterActiveCorp	19,260,682	1.83
264,350	Liberty Media	11,261,310	1.07
185,201	Lyft	9,098,925	0.86
151,022	Stitch Fix	8,868,012	0.84
222,334	T-Mobile US	29,981,740	2.84
219,505	Uber	11,194,755	1.06
	Total Communications	245,843,215	23.30
	Consumer, Cyclical: 6.83% (2019: 8.54%)		
201,653	Dolby Laboratories	19,586,556	1.86
123,849	Mohawk Industries	17,456,517	1.65
7,434,000	Samsonite International	13,173,218	1.25
850,393	Taylor Morrison Home	21,812,580	2.07
	Total Consumer, Cyclical	72,028,871	6.83
	Consumer, Non-cyclical: 20.96% (2019: 17.53%)		
300,099	Altria	12,304,059	1.17
93,222	Anthem	29,932,652	2.84
291,295	Centene	17,486,439	1.66
852,545	Envista	28,756,343	2.72
54,113	ICON	10,550,953	1.00
243,208	LiveRamp Holdings	17,800,394	1.69
259,957	Medtronic	30,451,363	2.88
31,651	S&P Global	10,404,633	0.99
1,307,884	Sabre	15,720,766	1.49
67,782	Sysco	5,033,491	0.47
67,354	United Rentals	15,620,066	1.48
814,626	US Foods	27,135,192	2.57
	Total Consumer, Non-cyclical	221,196,351	20.96

Holdings	Financial assets at fair value through profit or loss	Fair Value US$	% of Net Assets
	Equities: 97.34% (2019: 96.07%) continued		
	Energy: 0.85% (2019: 5.69%)		
374,039	Canadian Natural Resources	8,981,046	0.85
	Total Energy	8,981,046	0.85
	Financial: 18.19% (2019: 25.24%)		
175,483	Affiliated Managers	17,846,621	1.69
877,303	Arch Capital	31,644,319	3.00
556,794	Citigroup	34,331,918	3.25
167,185	Intercontinental Exchange	19,274,758	1.83
24,037	Markel	24,837,432	2.35
117,164	Marsh & McLennan	13,708,188	1.30
149,561	Travelers Companies	20,993,878	1.99
133,890	Visa	29,285,760	2.78
	Total Financial	191,922,874	18.19
	Industrial: 8.57% (2019: 10.61%)		
157,314	Agilent Technologies	18,640,136	1.77
200,610	Ametek	24,261,773	2.30
776,011	Colfax	29,674,660	2.81
147,457	TE Connectivity	17,852,619	1.69
	Total Industrial	90,429,188	8.57
	Technology: 18.64% (2019: 11.49%)		
38,012	Accenture	9,929,115	0.94
182,650	Analog Devices	26,982,885	2.56
256,034	Applied Materials	22,095,734	2.09
9,049	Constellation Software	11,740,403	1.11
243,343	Fiserv	27,707,033	2.63
214,250	Microsoft	47,653,485	4.52
206,677	Qualcomm	31,485,174	2.98
261,094	SS&C Technologies	18,994,589	1.80
16,829	Topicus	63,568	0.01
	Total Technology	196,651,986	18.64
	Total Equities	1,027,053,531	97.34
	Total Transferable Securities	1,027,053,531	97.34

Portfolio Statements continued

As at 31 December 2020

North American Fund continued

Financial assets at fair value through profit or loss

Open Forward Currency Contracts: 0.16% (2019: 0.18%)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Gains US$	% of Net Assets
USD 33,872,158	GBP 25,406,659	1.3332	29/01/2021	863,158	0.08
USD 30,158,126	GBP 22,620,856	1.3332	29/01/2021	768,514	0.07
USD 1,698,706	GBP 1,274,157	1.3332	29/01/2021	43,288	0.01
USD 52,253,920	EUR 42,717,286	1.2232	29/01/2021	39,442	–
USD 2,530,374	CHF 2,241,406	1.1289	29/01/2021	6,969	–
USD 6,542,445	EUR 5,348,412	1.2233	29/01/2021	4,938	–
USD 185,616	GBP 139,247	1.3330	29/01/2021	4,758	–
USD 5,406,364	EUR 4,419,672	1.2233	29/01/2021	4,081	–
USD 372,702	GBP 275,097	1.3548	29/01/2021	3,404	–
USD 608,603	EUR 498,695	1.2204	29/01/2021	1,886	–
USD 236,890	EUR 194,354	1.2189	29/01/2021	1,034	–
USD 87,490	GBP 64,741	1.3514	04/01/2021	1,008	–
USD 30,128	GBP 22,602	1.3330	29/01/2021	772	–
USD 28,596	GBP 21,452	1.3330	29/01/2021	733	–
EUR 94,754	USD 116,629	1.2309	29/01/2021	634	–
USD 100,942	EUR 82,736	1.2200	29/01/2021	341	–
USD 17,923	GBP 13,262	1.3514	04/01/2021	205	–
USD 19,975	GBP 14,763	1.3531	04/01/2021	205	–
USD 49,877	EUR 40,894	1.2197	04/01/2021	159	–
USD 147,373	EUR 120,482	1.2232	29/01/2021	117	–
USD 19,955	GBP 14,659	1.3613	29/01/2021	86	–
USD 3,732	GBP 2,758	1.3534	29/01/2021	38	–
USD 6,218	CHF 5,519	1.1266	29/01/2021	30	–
USD 86	GBP 64	1.3445	29/01/2021	1	–
USD 31	GBP 23	1.3442	29/01/2021	1	–
USD 119	EUR 97	1.2210	29/01/2021	–	–
USD 10	GBP 7	1.3511	29/01/2021	–	–
EUR 96	USD 117	1.2254	29/01/2021	–	–
USD 30	EUR 25	1.2215	29/01/2021	–	–
USD 3	GBP 2	1.3602	29/01/2021	–	–
Total unrealised gain on forward foreign currency contracts				1,745,802	0.16
Total Financial Assets at fair value through profit or loss				1,028,799,333	97.50

Financial liabilities at fair value through profit or loss

Open Forward Currency Contracts: Nil (2019: Nil)

Currency Sold	Currency Bought	Currency Rate	Maturity Date	Unrealised Losses US$	% of Net Assets
GBP 5,993	USD 7,989	1.3330	29/01/2021	(205)	–
GBP 14,763	USD 19,979	1.3534	29/01/2021	(203)	–
EUR 40,894	USD 49,907	1.2204	29/01/2021	(155)	–
GBP 248	USD 329	1.3270	29/01/2021	(10)	–
EUR 2,139	USD 2,616	1.2228	29/01/2021	(3)	–
GBP 36	USD 49	1.3516	29/01/2021	(1)	–
GBP 23	USD 30	1.3272	29/01/2021	(1)	–
USD 351	EUR 287	1.2242	29/01/2021	–	–
GBP 49	USD 67	1.3668	29/01/2021	–	–
GBP 32	USD 43	1.3597	29/01/2021	–	–
Total unrealised loss on forward foreign currency contracts				(578)	–
Total Financial Liabilities at fair value through profit or loss				(578)	–

	Fair Value US$	% of Net Assets
Total Value of Investments (Cost: US$ 761,147,626)	1,028,798,755	97.50
Cash	25,342,257	2.40
Other Net Assets	1,020,705	0.10
Net Assets Attributable to Holders of Redeemable Participating Shares	1,055,161,717	100.00

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

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	97.08	96.37
OTC Financial derivative instrument	0.17	0.18
Other assets	2.75	3.45
	100.00	100.00

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

Portfolio Statements continued

As at 31 December 2020

UK Absolute Equity Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Investment Funds: Nil (2019: Nil)	–	–
	Equities: Nil (2019 80.08%)	–	–
	Contracts for Difference – Unrealised Gains: Nil (2019: 6.16%)	–	–
	Contracts for Difference – Unrealised Losses: Nil (2019: (2.99%))	–	–
	Open Forward Foreign Currency Contracts: Nil (2019: (0.30%))	–	–
	Futures Contracts – Unrealised Losses: Nil (2019: (0.01%))	–	–
	Total Value of Investments (Cost: GBP£ Nil)	–	–
	Cash at Bank	97,914	–
	Other Net Liabilities	(97,914)	–
	Net Assets Attributable to Holders of Redeemable Participating Shares	–	–

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities	–	75.91
Exchange traded financial derivative instruments	–	5.84
OTC financial derivative instruments	–	–
Other assets	–	18.25
	0.00	100.00

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

UK Value Opportunities Fund

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Equities: 98.03% (2019: 94.62%)		
	Basic Materials: 7.24% (2019: 5.61%)		
663,397	Anglo American	16,190,204	1.41
7,742,263	Central Asia Metals	18,542,720	1.61
1,085,316	Mondi	18,737,981	1.63
907,175	Polymetal International	15,376,616	1.34
259,114	Rio Tinto	14,295,319	1.25
	Total Basic Materials	83,142,840	7.24
	Communications: 1.02% (2019: 2.09%)		
4,408,859	Spirent Communications	11,661,432	1.02
	Total Communications	11,661,432	1.02
	Consumer, Cyclical: 19.84% (2019: 20.69%)		
3,115,288	B&M European Value Retail	16,118,500	1.40
3,658,948	Barratt Developments	24,514,952	2.13
136,189	Bellway	4,065,242	0.35
2,391,834	Grafton	22,172,301	1.93
5,093,411	Henry Boot	13,039,132	1.14
2,501,191	IG Design	15,357,313	1.34
1,655,994	JD Sports Fashion	14,185,245	1.24
10,042,996	Marks & Spencer	13,763,926	1.20
2,303,453	MJ Gleeson	17,874,795	1.56
3,169,018	On the Beach	12,066,987	1.05
615,822	Persimmon	17,113,693	1.49
12,166,180	Rank	17,324,640	1.51
4,234,196	Watches of Switzerland	24,727,705	2.15
5,996,295	Wincanton	15,480,035	1.35
	Total Consumer, Cyclical	227,804,466	19.84
	Consumer, Non-cyclical: 23.85% (2019: 20.72%)		
2,055,035	AG Barr	10,645,081	0.93
21,597,282	Alliance Pharma	18,897,622	1.64
637,567	Cranswick	22,518,866	1.96
917,465	Hikma Pharmaceuticals	23,101,769	2.01
1,743,708	Hilton Food	19,424,907	1.69
9,197,061	Johnson Service	12,949,462	1.13
17,967,140	Premier Foods	18,218,680	1.59
4,902,003	QinetiQ	15,892,294	1.38

Portfolio Statements continued

As at 31 December 2020

UK Value Opportunities Fund continued

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Equities: 98.03% (2019: 94.62%) continued		
	Consumer, Non-cyclical: 23.85% (2019: 20.72%) continued		
318,389	Reckitt Benckiser	20,905,422	1.82
5,646,848	Restore	22,310,696	1.94
35,116,831	Speedy Hire	24,862,716	2.17
5,502,429	SThree	16,809,921	1.46
5,253,980	Stock Spirits	14,185,746	1.24
10,525,815	Wm Morrison Supermarkets	18,646,481	1.62
1,126,313	Young & Co's Brewery	14,529,438	1.27
	Total Consumer, Non-cyclical	273,899,101	23.85
	Energy: 2.08% (2019: 4.29%)		
19,249,141	Jadestone Energy	11,549,485	1.01
10,462,369	Serica Energy	12,317,870	1.07
	Total Energy	23,867,355	2.08
	Financial: 23.74% (2019: 17.24%)		
2,071,498	3i	23,946,517	2.08
3,297,764	Ashmore	14,266,127	1.24
2,917,196	Aviva	9,533,397	0.83
11,529,499	Barclays	17,010,623	1.48
6,802,656	Brewin Dolphin	20,918,167	1.82
6,876,043	Investec	13,019,787	1.13
3,161,526	Lancashire	22,921,064	2.00
6,580,283	Legal & General	17,536,454	1.53
2,153,561	Marlowe	14,078,259	1.23
9,641,889	Natwest	16,087,492	1.40
4,457,918	Numis	14,599,681	1.27
4,607,013	OSB	19,616,661	1.71
1,798,966	Prudential	24,375,989	2.12
796,624	Schroders	18,720,664	1.63
13,940,145	Watkin Jones	26,016,841	2.27
	Total Financial	272,647,723	23.74

Holdings	Financial assets at fair value through profit or loss	Fair Value GBP£	% of Net Assets
	Equities: 98.03% (2019: 94.62%) continued		
	Industrial: 18.41% (2019: 22.46%)		
27,250,494	Breedon	23,762,431	2.07
1,427,722	DiscoverIE	9,637,124	0.84
6,778,898	Forterra	16,498,482	1.44
1,535,186	Hill & Smith	21,523,308	1.87
1,812,974	James Fisher & Sons	16,915,047	1.47
7,111,139	Morgan Advanced Materials	22,186,754	1.93
1,789,184	Morgan Sindall	27,385,692	2.39
3,059,191	Renew	16,580,815	1.44
12,874,509	Severfield	9,229,980	0.80
8,074,878	TT Electronics	16,498,849	1.44
746,635	Ultra Electronics	15,574,806	1.36
2,883,182	Vesuvius	15,598,015	1.36
	Total Industrial	211,391,303	18.41
	Technology: 1.85% (2019: 1.52%)		
869,366	Computacenter	21,204,099	1.85
	Total Technology	21,204,099	1.85
	Total Equities	1,125,618,319	98.03
	Total Transferable Securities	1,125,618,319	98.03
	Total Value of Investments (Cost: GBP£ 1,035,661,802)	1,125,618,319	98.03
	Cash at Bank	27,314,814	2.38
	Margin Cash	17,668	–
	Other Net Liabilities	(4,756,895)	(0.41)
	Net Assets Attributable to Holders of Redeemable Participating Shares	1,148,193,906	100.00

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

Analysis of total assets	31 December 2020 % of Total Assets	31 December 2019 % of Total Assets
Transferable securities admitted to official stock exchange listing	97.25	93.88
Other assets	2.75	6.12
	100.00	100.00

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

Statement of Financial Position

As at 31 December 2020

	Notes	Asian Opportunities Fund 31 December 2020 US$	Asian Stars Fund 31 December 2020 US$	Automation & Artificial Intelligence Fund 31 December 2020 US$	Biotechnology Fund 31 December 2020 US$
Assets					
Transferable securities	10	8,030,649	17,352,888	728,735,691	1,165,403,819
Financial derivative instruments	10	6,111	–	–	245,891
Dividends and interest receivable		6,299	18,552	183,041	–
Amounts receivable on sale of securities		–	–	2,023,185	–
Amounts receivable on sale of redeemable participating shares		–	1,279	1,293,404	10,060,801
Sundry debtors		43	46	14,348	39,174
Cash at bank	10	430,296	323,398	52,730,677	102,055,535
Margin cash	10	–	–	–	–
Total Assets		8,473,398	17,696,163	784,980,346	1,277,805,220
Liabilities					
Financial derivative instruments	10	(6)	–	–	(1,171)
Bank overdraft	4	–	–	(21,259,046)	(1,994,610)
Amounts payable on redemption of redeemable participating shares		(2,482)	–	(448,232)	(2,250,899)
Amounts payable on purchase of securities		–	–	(2,008,097)	(4,583,634)
Dividends and interest payable		(1)	(68)	(14,351)	(2,010)
Investment management fee payable	3	(8,054)	(5,779)	(354,188)	(1,636,277)
Performance fee payable	3	(83,075)	(160,566)	(7,253,623)	(10,486,483)
Sundry creditors	3	(7,417)	(82,155)	(281,709)	(412,129)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(101,035)	(248,568)	(31,619,246)	(21,367,213)
Net Assets Attributable to holders of redeemable participating shares		8,372,363	17,447,595	753,361,100	1,256,438,007

China Stars Fund 31 December 2020 US$	Emerging Markets Income Fund 31 December 2020 US$	Emerging Market Stars Fund 31 December 2020 US$	European ex UK Income Fund 31 December 2020 EUR	Financial Opportunities Fund 31 December 2020 US$	Global Absolute Return Fund 31 December 2020 US$	Global Convertible Fund 31 December 2020 US$	Global Insurance Fund 31 December 2020 GBP
13,305,341	103,152,112	362,968,186	189,728,564	10,420,659	51,610,726	1,140,320,729	1,544,769,994
90	7,030	–	866,971	–	1,058,225	7,252,796	1,054
4,974	638,529	354,073	–	3,982	111,299	3,760,238	433,150
31,013	–	–	961,717	–	–	13,694,099	–
33,499	35,709	738,923	–	33,042	–	1,277,215	3,377,584
187	11,695	7,256	741	323	1,910	125,141	7,530
924,488	1,426,888	11,697,452	–	383,063	3,294,741	51,960,950	49,422,268
6,470	–	–	–	–	–	–	–
14,306,062	105,271,963	375,765,890	191,557,993	10,841,069	56,076,901	1,218,391,168	1,598,011,580
–	(6,893)	–	–	–	(4,278,042)	(45,346,789)	(354,981)
–	–	–	(254,206)	–	(3,080,696)	(116,048,142)	–
(35,582)	(690,235)	–	–	(12,541)	–	(408,974)	(6,310,305)
(179,285)	–	–	–	–	–	(7,289,691)	(2,077,659)
(163)	(1)	(46)	(1,268)	(48)	(7,859)	(33,629)	(8,011)
(5,988)	(125,445)	(174,775)	(298,072)	(9,654)	(50,689)	(797,714)	(1,176,074)
(92,209)	–	(2,558,924)	–	(6,693)	(1,547,256)	(23)	–
(18,355)	(36,920)	(2,428,396)	(26,215)	(6,640)	(46,018)	(636,605)	(252,119)
(331,582)	(859,494)	(5,162,141)	(579,761)	(35,576)	(9,010,560)	(170,561,567)	(10,179,149)
13,974,480	104,412,469	370,603,749	190,978,232	10,805,493	47,066,341	1,047,829,601	1,587,832,431

Statement of Financial Position continued

As at 31 December 2020

	Notes	Global Technology Fund 31 December 2020 US$	Healthcare Blue Chip Fund 31 December 2020 US$	Healthcare Discovery Fund* 30 December 2020 US$	Healthcare Opportunities Fund 31 December 2020 US$
Assets					
Transferable securities	10	7,831,220,695	86,369,420	45,272,115	2,104,298,240
Financial derivative instruments	10	56,877,906	48	–	92,664
Dividends and interest receivable		2,418,410	67,432	5,550	179,647
Amounts receivable on sale of securities		132,571,861	1,052,537	–	5,262,529
Amounts receivable on sale of redeemable participating shares		28,245,040	185,522	100,021	7,187,577
Sundry debtors		86,603	1,591	21,774	30,853
Cash at bank	10	784,391,029	6,553,011	3,338,624	1,941,735
Margin cash	10	9,919,032	–	–	20,502,228
Total Assets		8,845,730,576	94,229,561	48,738,084	2,139,495,473
Liabilities					
Financial derivative instruments	10	(27,157)	–	–	(7)
Bank overdraft	4	–	(1,980,003)	–	–
Amounts payable on redemption of redeemable participating shares		(25,805,450)	(131,900)	(4,334)	(10,523,130)
Amounts payable on purchase of securities		(120,150,463)	–	–	(600,255)
Dividends and interest payable		(4,505)	(1,881)	(104)	(5,662)
Investment management fee payable	3	(11,075,893)	(46,553)	(26,423)	(2,132,947)
Performance fee payable	3	(31,044,272)	–	(234,272)	(766,974)
Sundry creditors	3	(1,827,007)	(38,977)	(16,155)	(885,153)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(189,934,747)	(2,199,314)	(281,288)	(14,914,128)
Net Assets Attributable to holders of redeemable participating shares		8,655,795,829	92,030,247	48,456,796	2,124,581,345

* Healthcare Discovery Fund launched on 31 January 2020.

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

The Financial Statements were approved by the Board of Directors of Polar Capital Funds plc on 13 April 2021 and signed on its behalf by:

David Hammond
Directors

Karen Nolan
Director

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

Income Opportunities Fund 31 December 2020 GBP	Japan Value Fund 31 December 2020 JPY	North American Fund 31 December 2020 US$	UK Absolute Equity Fund** 31 December 2020 GBP	UK Value Opportunities Fund 31 December 2020 GBP	Total 31 December 2020 US$
60,122,208	17,653,006,900	1,027,053,531	–	1,125,618,319	18,831,113,854
–	39,004,928	1,745,802	–	–	68,726,577
213,249	42,189,325	462,904	–	2,177,630	12,483,873
210,122	–	–	–	619,289	156,945,699
2,200	17,112,403	2,855,597	–	1,677,512	59,126,451
2,201	102,573	10,026	–	3,512	370,973
617,784	331,247,746	25,721,198	97,914	27,353,593	1,156,308,632
71,626	–	–	–	17,668	30,549,791
61,239,390	18,082,663,875	1,057,849,058	97,914	1,157,467,523	20,315,625,850
(577,225)	(6,355,778)	(578)	–	–	(50,996,483)
–	(75,316,023)	(378,941)	(8,938)	(38,779)	(145,847,187)
(359,467)	(13,877,794)	(1,513,089)	–	(549,034)	(51,829,020)
–	–	–	–	(5,559,002)	(145,250,368)
(138)	(153,087)	(611)	–	(40)	(85,167)
(77,222)	(19,822,035)	(655,041)	–	(633,968)	(20,241,915)
(493,358)	–	–	–	(2,307,788)	(58,063,400)
(52,366)	(13,843,719)	(139,081)	(88,976)	(185,006)	(7,819,615)
(1,559,776)	(129,368,436)	(2,687,341)	(97,914)	(9,273,617)	(480,133,155)
59,679,614	17,953,295,439	1,055,161,717	–	1,148,193,906	19,835,492,695

Comparative Statement of Financial Position

As at 31 December 2019

	Notes	Asian Opportunities Fund 31 December 2019 US$	Asian Stars Fund 31 December 2019 US$	Automation & Artificial Intelligence Fund 31 December 2019 US$	Biotechnology Fund 31 December 2019 US$
Assets					
Transferable securities	10	28,326,748	7,164,695	433,364,463	530,600,185
Financial derivative instruments	10	8,729	–	–	94,346
Dividends and interest receivable		28,104	9,954	172,981	3,079
Amounts receivable on sale of securities		–	–	112,578	–
Amounts receivable on sale of redeemable participating shares		421,074	–	230,176	2,472,965
Sundry debtors		5,235	2,521	4,087	19,943
Cash at bank	10	984,752	143,909	20,917,423	21,215,258
Margin receivable	10	–	–	–	–
Margin cash	10	–	–	–	–
Total Assets		29,774,642	7,321,079	454,801,708	554,405,776
Liabilities					
Financial derivative instruments	10	–	–	–	(285)
Bank overdraft	4	–	–	(17,354,599)	(1,857,468)
Margin payable		–	–	–	–
Amounts payable on redemption of redeemable participating shares		–	–	(461,645)	(2,784,252)
Redeemable participating shares not yet allotted		–	–	–	–
Amounts payable on purchase of securities		–	–	(608,195)	–
Dividends and interest payable		–	(15)	(22,370)	(2,437)
Investment management fee payable	3	(29,216)	(2,378)	(269,671)	(726,279)
Performance fee payable	3	(120,995)	(63,903)	–	(3,060,981)
Sundry creditors	3	(94,380)	(50,648)	(3,111,749)	(331,253)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(244,591)	(116,944)	(21,828,229)	(8,762,955)
Net Assets Attributable to holders of redeemable participating shares		29,530,051	7,204,135	432,973,479	545,642,821

* European Income Fund was terminated on 17 January 2019.

China Stars Fund 31 December 2019 US$	Emerging Markets Income Fund 31 December 2019 US$	Emerging Market Stars Fund 31 December 2019 US$	European ex UK Income Fund 31 December 2019 EUR€	European Income Fund* 31 December 2019 EUR€	Financial Opportunities Fund 31 December 2019 US$	Global Absolute Return Fund 31 December 2019 US$	Global Convertible Fund 31 December 2019 US$
7,388,146	144,281,216	41,679,540	264,648,343	–	18,412,308	66,174,844	941,492,071
–	–	–	1,197,067	–	–	763,405	3,824,739
2,133	603,666	46,092	–	–	2,172	138,379	2,756,501
–	–	–	–	–	–	2,238,785	–
7	154,923	3,160,856	35,446	–	23,567	36,365	779,135
2,502	4,939	2,809	3,034	–	2,190	27,593	377,047
201,003	3,653,707	794,082	4,911,441	21,946	412,116	835,655	17,624,771
–	–	–	–	–	–	3,640,834	4,280,787
–	–	–	–	–	–	–	4,714,039
7,593,791	148,698,451	45,683,379	270,795,331	21,946	18,852,353	73,855,860	975,849,090
–	–	–	(31,609)	–	–	(2,104,043)	(9,158,999)
(139,802)	–	–	–	–	–	(23,893,785)	(28,018,836)
–	–	–	–	–	–	–	–
–	(155,039)	(697)	(19,359)	–	(20,647)	(527)	(1,440,915)
–	–	(3,958)	–	–	–	–	–
(18,360)	(358,090)	(2,308,600)	–	–	–	(2,199,218)	(17,158,716)
(1,637)	(9)	(8)	(1,448)	–	(41)	(5,714)	–
(2,739)	(122,808)	(13,709)	(409,398)	–	(25,210)	(48,399)	(787,334)
–	–	(45,183)	–	–	–	(69,802)	–
(16,157)	(87,834)	(315,224)	(71,351)	(21,946)	(4,938)	(117,016)	(667,695)
(178,695)	(723,780)	(2,687,379)	(533,165)	(21,946)	(50,836)	(28,438,504)	(57,232,495)
7,415,096	147,974,671	42,996,000	270,262,166	–	18,801,517	45,417,356	918,616,595

Comparative Statement of Financial Position continued

As at 31 December 2019

	Notes	Global Insurance Fund 31 December 2019 GBP£	Global Technology Fund 31 December 2019 US$	Healthcare Blue Chip Fund 31 December 2019 US$	Healthcare Opportunities Fund 31 December 2019 US$
Assets					
Transferable securities	10	1,525,285,348	3,491,422,560	90,377,247	1,632,993,616
Financial derivative instruments	10	–	18,440,966	27	–
Dividends and interest receivable		479,651	1,463,333	63,858	897,966
Amounts receivable on sale of securities		210,949	917,820	–	–
Amounts receivable on sale of redeemable participating shares		6,462,126	11,032,047	223,743	8,018,494
Sundry debtors		61,564	100,658	4,057	173,048
Cash at bank	10	36,181,268	123,954,805	3,847,289	626,425
Margin receivable	10	–	–	–	–
Margin cash	10	–	32,736,764	–	20,431,031
Total Assets		1,568,680,906	3,680,068,953	94,516,221	1,663,140,580
Liabilities					
Financial derivative instruments	10	(176,702)	(16,612)	–	–
Bank overdraft	4	(1,773,050)	–	(1,810,815)	(23,186,649)
Margin payable		–	–	–	–
Amounts payable on redemption of redeemable participating shares		(7,601,921)	(10,415,233)	(131,332)	(3,428,945)
Redeemable participating shares not yet allotted		–	–	–	–
Amounts payable on purchase of securities		(5,011,252)	(13,198,015)	–	(5,161,424)
Dividends and interest payable		(34,501)	(1,384)	(2,732)	(2,344)
Investment management fee payable	3	(1,198,564)	(4,629,376)	(49,915)	(1,663,237)
Performance fee payable	3	–	(256,862)	–	–
Sundry creditors	3	(418,491)	(1,251,092)	(55,695)	(982,276)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(16,214,481)	(29,768,574)	(2,050,489)	(34,424,875)
Net Assets Attributable to holders of redeemable participating shares		1,552,466,425	3,650,300,379	92,465,732	1,628,715,705

* Japan Fund merged with the Japan Value Fund on 18 October 2019.

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

Income Opportunities Fund 31 December 2019 GBP£	Japan Fund* 31 December 2019 JPY¥	Japan Value Fund 31 December 2019 JPY¥	North American Fund 31 December 2019 US$	UK Absolute Equity Fund 31 December 2019 GBP£	UK Value Opportunities Fund 31 December 2019 GBP£	Total 31 December 2019 US$
151,231,013	–	37,571,492,990	2,017,634,295	407,957,888	1,198,420,311	14,441,550,182
128,638	–	53,021,007	3,719,977	31,398,519	–	70,447,172
840,319	–	81,982,159	1,042,696	1,483,679	2,033,281	14,389,596
17,012	–	38,166,024	–	–	1,192,665	5,500,759
21,611	–	1,090,468,519	1,933,980	2,233,363	2,562,412	53,458,373
1,245	–	1,831,145	164,704	17,173	4,938	1,024,010
10,699,332	26,128,599	2,181,088,172	69,245,511	56,310,393	72,301,436	522,696,193
–	–	–	–	31,536,872	–	49,700,093
2,511,734	–	–	–	5,062,524	17,690	67,939,267
165,450,904	26,128,599	41,018,050,016	2,093,741,163	536,000,411	1,276,532,733	15,226,705,645
(554,251)	–	(388,815)	(17,989)	(16,809,331)	–	(34,573,462)
–	(2,916,622)	–	(1,667,875)	–	(43,919)	(100,363,575)
–	–	–	–	–	–	–
(155,101)	–	(69,682,376)	(17,364,957)	(3,570,948)	(973,726)	(53,160,884)
–	–	–	–	–	–	(3,958)
–	–	(5,167,161)	–	–	(7,428,581)	(57,537,618)
(47)	–	(431,851)	(590)	(309,526)	(123)	(500,837)
(282,378)	–	(38,345,184)	(1,516,490)	(459,687)	(790,588)	(14,315,733)
(247,596)	–	(15,329,629)	–	(5,088,939)	(467,760)	(11,447,386)
(52,979)	(23,211,977)	(16,840,247)	(658,872)	(293,617)	(278,909)	(9,599,468)
(1,292,352)	(26,128,599)	(146,185,263)	(21,226,773)	(26,532,048)	(9,983,606)	(281,502,921)
164,158,552	–	40,871,864,753	2,072,514,390	509,468,363	1,266,549,127	14,945,202,724

Statement of Comprehensive Income

For the financial year ended 31 December 2020

	Notes	Asian Opportunities Fund 31 December 2020 US$	Asian Stars Fund 31 December 2020 US$	Automation & Artificial Intelligence Fund 31 December 2020 US$	Biotechnology Fund 31 December 2020 US$
Investment income					
Investment income	2H	437,574	80,795	4,799,510	599,331
Net realised and unrealised (loss)/gain on investments	2D	(749,750)	3,886,334	214,911,072	322,029,287
Income equalisation	2E	(119,908)	–	(117,181)	–
Net investment (loss)/income		(432,084)	3,967,129	219,593,401	322,628,618
Expenses					
Investment management fees	3	(194,896)	(38,668)	(2,226,400)	(9,161,955)
Administration fees	3	(9,183)	(4,102)	(242,359)	(346,295)
General expenses	3	(55,182)	(37,556)	(130,713)	(184,339)
Performance fees	3	(83,074)	(160,566)	(7,253,623)	(10,485,339)
Depositary's fees	3	(15,535)	(6,641)	(184,995)	(184,694)
Research fees		(1,215)	(2,306)	(118,337)	(277,298)
Legal fees		(513)	(655)	(39,553)	(57,368)
Directors' fees	8	(1,248)	(579)	(34,819)	(48,603)
Auditor's fees		(28)	(127)	(7,492)	(12,168)
Operating expenses		(360,874)	(251,200)	(10,238,291)	(20,758,059)
Net (expense)/income from operations before finance costs		(792,958)	3,715,929	209,355,110	301,870,559
Finance costs					
Bank interest/financing charges	2H	(3)	(109)	(114,985)	(162,900)
Distributions to holders of redeemable participating shares	13	–	–	–	–
Total finance costs		(3)	(109)	(114,985)	(162,900)
(Loss)/profit for the year before tax		(792,961)	3,715,820	209,240,125	301,707,659
Withholding tax		(58,383)	(13,224)	(874,539)	(173,221)
Change in net assets attributable to holders of redeemable participating shares		(851,344)	3,702,596	208,365,586	301,534,438

China Stars Fund 31 December 2020 US$	Emerging Markets Income Fund 31 December 2020 US$	Emerging Market Stars Fund 31 December 2020 US$	European ex UK Income Fund 31 December 2020 EUR	Financial Opportunities Fund 31 December 2020 US$	Global Absolute Return Fund 31 December 2020 US$	Global Convertible Fund 31 December 2020 US$	Global Insurance Fund 31 December 2020 GBP
140,652	5,561,678	1,243,440	10,413,745	191,845	1,411,662	37,600,109	25,894,077
3,856,231	(9,968,960)	84,620,064	(46,227,604)	(2,587,321)	9,874,176	200,646,391	(115,141,003)
5,246	(453,589)	21,883	328,898	(25,174)	(18,315)	(3,839,501)	(433,302)
4,002,129	(4,860,871)	85,885,387	(35,484,961)	(2,420,650)	11,267,523	234,406,999	(89,680,228)
(42,879)	(743,034)	(745,066)	(1,910,808)	(95,142)	(325,743)	(7,276,903)	(10,832,795)
(4,316)	(48,484)	(69,426)	(101,854)	(4,415)	(19,432)	(402,662)	(630,712)
(57,734)	(87,093)	(106,213)	(28,195)	(46,540)	(117,918)	(448,146)	(211,886)
(92,209)	–	(2,558,924)	–	(6,693)	(1,521,702)	(23)	933
(4,815)	(94,842)	(113,329)	(75,575)	(3,741)	(9,262)	(205,511)	(341,719)
(2,220)	(97,653)	(32,273)	–	(770)	(4,456)	(113,828)	(147,280)
(690)	(8,418)	(11,711)	(17,013)	(490)	(3,352)	(67,150)	(107,937)
(623)	(6,885)	(9,866)	(14,932)	(629)	(2,954)	(72,878)	(92,075)
(142)	(613)	(4,166)	(1,199)	–	(470)	(9,249)	(14,353)
(205,628)	(1,087,022)	(3,650,974)	(2,149,576)	(158,420)	(2,005,289)	(8,596,350)	(12,377,824)
3,796,501	(5,947,893)	82,234,413	(37,634,537)	(2,579,070)	9,262,234	225,810,649	(102,058,052)
(14,440)	(4,772)	(10,699)	(34,969)	(424)	(32,267)	(385,857)	(132,293)
–	(5,186,709)	–	(8,438,293)	(160,699)	–	(27,795,727)	(8,820,811)
(14,440)	(5,191,481)	(10,699)	(8,473,262)	(161,123)	(32,267)	(28,181,584)	(8,953,104)
3,782,061	(11,139,374)	82,223,714	(46,107,799)	(2,740,193)	9,229,967	197,629,065	(111,011,156)
(10,417)	(523,953)	(203,592)	(921,913)	(2,145)	(556)	(192,494)	(3,428,612)
3,771,644	(11,663,327)	82,020,122	(47,029,712)	(2,742,338)	9,229,411	197,436,571	(114,439,768)

Statement of Comprehensive Income continued

For the financial year ended 31 December 2020

	Notes	Global Technology Fund 31 December 2020 US$	Healthcare Blue Chip Fund 31 December 2020 US$	Healthcare Discovery Fund* 31 December 2020 US$	Healthcare Opportunities Fund 31 December 2020 US$
Investment income					
Investment income	2H	27,928,268	841,185	45,003	11,825,151
Net realised and unrealised (loss)/gain on investments	2D	2,972,566,278	5,383,498	12,421,781	347,906,439
Income equalisation	2E	–	12,996	(82)	2,576
Net investment (loss)/income		3,000,494,546	6,237,679	12,466,702	359,734,166
Expenses					
Investment management fees	3	(67,064,282)	(495,178)	(164,311)	(18,826,064)
Administration fees	3	(2,634,022)	(37,142)	(11,088)	(810,177)
General expenses	3	(1,452,301)	(49,356)	(34,495)	(324,172)
Performance fees	3	(30,980,309)	–	(234,272)	(766,974)
Depositary's fees	3	(1,815,837)	(20,554)	(6,961)	(456,692)
Research fees		(1,243,996)	(27,468)	(10,029)	(691,014)
Legal fees		(417,627)	(6,416)	(1,712)	(132,147)
Directors' fees	8	(382,549)	(5,476)	(1,511)	(116,255)
Auditor's fees		(93,185)	(784)	(494)	(21,203)
Operating expenses		(106,084,108)	(642,374)	(464,873)	(22,144,698)
Net (expense)/income from operations before finance costs		2,894,410,438	5,595,305	12,001,829	337,589,468
Finance costs					
Bank interest/financing charges	2H	(20,542)	(23,769)	(1,406)	(32,068)
Distributions to holders of redeemable participating shares	13	–	(652,419)	–	–
Total finance costs		(20,542)	(676,188)	(1,406)	(32,068)
(Loss)/profit for the year before tax		2,894,389,896	4,919,117	12,000,423	337,557,400
Withholding tax		(6,172,526)	(223,601)	(9,300)	(2,575,580)
Change in net assets attributable to holders of redeemable participating shares		2,888,217,370	4,695,516	11,991,123	334,981,820

* Healthcare Discovery Fund launched on 31 January 2020.

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

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

Income Opportunities Fund 31 December 2020 GBP	Japan Value Fund 31 December 2020 JPY	North American Fund 31 December 2020 US$	UK Absolute Equity Fund** 31 December 2020 GBP	UK Value Opportunities Fund 31 December 2020 GBP	Total 31 December 2020 US$
4,651,824	528,860,051	12,923,667	1,184,070	17,721,458	185,946,566
(10,348,013)	(7,383,010,406)	17,044,522	(133,051,055)	(121,386,972)	3,572,235,308
(2,365,581)	(80,346,555)	(340,848)	–	46,591	(8,782,043)
(8,061,770)	(6,934,496,910)	29,627,341	(131,866,985)	(103,618,923)	3,749,399,831
(814,752)	(191,444,593)	(8,283,049)	(1,291,041)	(5,590,386)	(143,104,974)
(38,068)	(10,811,425)	(587,194)	(65,792)	(461,529)	(6,983,156)
(34,261)	(7,332,295)	(112,771)	148,846	(179,290)	(4,137,927)
(498,569)	–	–	–	(2,307,788)	(57,744,766)
(20,254)	(7,559,631)	(309,647)	(21,159)	(151,463)	(4,175,789)
(8,482)	(12,136,281)	–	(260,264)	(132,536)	(3,440,693)
(7,484)	(2,125,814)	(107,836)	(14,971)	(78,730)	(1,163,401)
(5,416)	(1,591,610)	(85,954)	(23,706)	(67,397)	(1,044,863)
844	(108,651)	619	(2,080)	(9,642)	(184,275)
(1,426,442)	(233,110,300)	(9,485,832)	(1,530,167)	(8,978,761)	(221,979,844)
(9,488,212)	(7,167,607,210)	20,141,509	(133,397,152)	(112,597,684)	3,527,419,987
(9,519)	(5,056,256)	(1,669)	(1,846,404)	(613)	(3,446,063)
(1,723,491)	–	–	–	(15,656,304)	(77,058,211)
(1,733,010)	(5,056,256)	(1,669)	(1,846,404)	(15,656,917)	(80,504,274)
(11,221,222)	(7,172,663,466)	20,139,840	(135,243,556)	(128,254,601)	3,446,915,713
210,078	(95,611,526)	(3,102,389)	–	(150,770)	(20,408,736)
(11,011,144)	(7,268,274,992)	17,037,451	(135,243,556)	(128,405,371)	3,426,506,977

Comparative Statement of Comprehensive Income

For the financial year ended 31 December 2019

	Notes	Asian Opportunities Fund 31 December 2019 US$	Asian Stars Fund 31 December 2019 US$	Automation & Artificial Intelligence Fund 31 December 2019 US$	Biotechnology Fund 31 December 2019 US$
Investment income					
Investment income	2H	570,839	109,487	5,142,715	1,451,158
Net realised and unrealised gain on investments	2D	5,296,692	2,014,388	128,134,790	145,372,409
Income equalisation	2E	(3,870)	2	(34,224)	–
Net investment income		5,863,661	2,123,877	133,243,281	146,823,567
Expenses					
Investment management fees	3	(306,064)	(27,825)	(2,255,655)	(5,915,147)
Administration fees	3	(14,725)	(3,469)	(185,700)	(239,896)
General expenses	3	(33,245)	(21,697)	(116,237)	(197,961)
Performance fees	3	(120,995)	(63,903)	(2,961,789)	(3,060,046)
Depositary's fees	3	(24,199)	(5,445)	(119,521)	(122,010)
Research fees		(2,772)	(4,874)	(94,778)	(304,588)
Legal fees		(1,558)	(311)	(20,682)	(26,951)
Directors' fees	8	(2,015)	(475)	(26,191)	(33,845)
Auditor's fees		(7,836)	(7,836)	(7,836)	(7,836)
Operating expenses		(513,409)	(135,835)	(5,788,389)	(9,908,280)
Net income from operations before finance costs		5,350,252	1,988,042	127,454,892	136,915,287
Finance costs					
Bank interest/financing charges	2H	(1)	(3)	(20,612)	(2,414)
Distributions to holders of redeemable participating shares	13	–	–	–	–
Total finance costs		(1)	(3)	(20,612)	(2,414)
Profit for the financial year before tax		5,350,251	1,988,039	127,434,280	136,912,873
Withholding tax		(61,446)	(12,602)	(913,710)	(315,615)
Change in net assets attributable to holders of redeemable participating shares		5,288,805	1,975,437	126,520,570	136,597,258

* European Income Fund was terminated on 17 January 2019.

China Stars Fund 31 December 2019 US$	Emerging Markets Income Fund 31 December 2019 US$	Emerging Market Stars Fund 31 December 2019 US$	European ex UK Income Fund 31 December 2019 EUR€	European Income Fund* 31 December 2019 EUR€	Financial Opportunities Fund 31 December 2019 US$	Global Absolute Return Fund 31 December 2019 US$	Global Convertible Fund 31 December 2019 US$
160,931	7,494,020	556,129	11,397,283	–	762,078	1,108,332	32,813,800
2,213,211	15,677,342	6,568,452	46,525,661	169,503	5,381,401	344,020	52,384,689
1,642	(429,543)	40,343	1,083,997	(1,357)	(256,208)	131,002	3,013,060
2,375,784	22,741,819	7,164,924	59,006,941	168,146	5,887,271	1,583,354	88,211,549
(27,347)	(1,269,038)	(112,848)	(1,842,690)	(3,481)	(257,840)	(228,935)	(7,188,179)
(3,394)	(71,775)	(13,542)	(117,379)	(289)	(12,209)	(14,075)	(402,723)
(34,792)	(85,535)	(38,577)	(77,939)	(5,683)	(26,639)	(19,130)	(564,192)
–	–	(45,183)	–	–	–	(67,758)	–
(3,683)	(4,112)	(21,329)	(90,100)	–	(8,291)	(7,433)	(196,318)
(4,993)	(90,402)	(26,955)	–	–	(1,072)	(11,809)	(244,684)
(338)	(8,010)	(1,509)	(13,018)	(92)	(1,346)	(1,413)	(43,739)
(464)	(10,102)	(2,028)	(16,888)	–	(1,769)	(1,298)	(42,979)
(7,836)	(7,836)	(7,836)	(7,000)	(7,000)	(7,836)	(7,836)	(7,836)
(82,847)	(1,546,810)	(269,807)	(2,165,014)	(16,545)	(317,002)	(359,687)	(8,690,650)
2,292,937	21,195,009	6,895,117	56,841,927	151,601	5,570,269	1,223,667	79,520,899
(6,987)	(17)	(10)	(27,804)	(344)	(40)	(3,904)	(78,799)
–	(6,164,189)	–	(10,592,333)	(1,896)	(306,609)	–	(26,603,870)
(6,987)	(6,164,206)	(10)	(10,620,137)	(2,240)	(306,649)	(3,904)	(26,682,669)
2,285,950	15,030,803	6,895,107	46,221,790	149,361	5,263,620	1,219,763	52,838,230
(7,784)	(711,870)	(63,894)	(1,275,318)	13,956	(75,916)	(40,352)	(125,842)
2,278,166	14,318,933	6,831,213	44,946,472	163,317	5,187,704	1,179,411	52,712,388

Comparative Statement of Comprehensive Income continued

For the financial year ended 31 December 2019

	Notes	Global Insurance Fund 31 December 2019 GBP£	Global Technology Fund 31 December 2019 US$	Healthcare Blue Chip Fund 31 December 2019 US$	Healthcare Opportunities Fund 31 December 2019 US$
Investment income					
Investment income	2H	25,242,539	22,087,728	1,156,228	20,577,584
Net realised and unrealised gain on investments	2D	252,265,255	1,005,205,571	18,149,698	274,865,654
Income equalisation	2E	1,587,957	–	(24,253)	(258,829)
Net investment income		279,095,751	1,027,293,299	19,281,673	295,184,409
Expenses					
Investment management fees	3	(10,762,434)	(35,929,306)	(496,917)	(16,903,224)
Administration fees	3	(660,763)	(1,512,080)	(40,236)	(762,189)
General expenses	3	(333,536)	(790,574)	(12,404)	(370,925)
Performance fees	3	–	(256,862)	–	–
Depositary's fees	3	(353,930)	(967,480)	(21,519)	(401,194)
Research fees		(138,607)	(789,497)	(51,905)	(898,889)
Legal fees		(71,751)	(170,453)	(4,391)	(84,204)
Directors' fees	8	(94,877)	(213,463)	(5,707)	(106,628)
Auditor's fees		(6,136)	(7,836)	(7,836)	(7,836)
Operating expenses		(12,422,034)	(40,637,551)	(640,915)	(19,535,089)
Net income from operations before finance costs		266,673,717	986,655,748	18,640,758	275,649,320
Finance costs					
Bank interest/financing charges	2H	(345,147)	(178)	(3,719)	–
Distributions to holders of redeemable participating shares	13	(8,852,535)	–	(572,960)	–
Total finance costs		(9,197,682)	(178)	(576,679)	–
Profit for the financial year before tax		257,476,035	986,655,570	18,064,079	275,649,320
Withholding tax		(3,286,111)	(4,753,807)	(281,255)	(4,035,682)
Change in net assets attributable to holders of redeemable participating shares		254,189,924	981,901,763	17,782,824	271,613,638

* Japan Fund merged with the Japan Value Fund on 18 October 2019.

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

Income Opportunities Fund 31 December 2019 GBP£	Japan Fund* 31 December 2019 JPY¥	Japan Value Fund 31 December 2019 JPY¥	North American Fund 31 December 2019 US$	UK Absolute Equity Fund 31 December 2019 GBP£	UK Value Opportunities Fund 31 December 2019 GBP£	Total 31 December 2019 US$
14,817,478	1,537,464,871	221,044,329	28,076,639	1,303,322	31,467,950	243,965,208
18,732,385	796,320,904	4,592,952,815	579,590,321	32,532,685	204,521,397	2,990,899,850
(5,991,126)	(722,362,657)	361,396,118	(396,231)	–	3,983,689	(4,166,448)
27,558,737	1,611,423,118	5,175,393,262	607,270,729	33,836,007	239,973,036	3,230,698,610
(2,233,994)	(579,892,121)	(75,509,297)	(17,613,380)	(5,020,264)	(6,072,701)	(127,373,302)
(121,371)	(24,910,052)	(4,248,881)	(1,173,122)	(242,382)	(460,239)	(6,744,421)
(80,838)	(19,640,112)	(8,231,825)	(563,954)	(252,163)	(257,163)	(4,404,733)
57,644	–	(15,256,506)	–	(5,160,724)	(467,760)	(13,830,735)
(68,651)	(16,488,885)	(2,785,775)	(598,978)	(82,706)	(145,174)	(3,609,839)
(19,997)	(432,487)	(9,128,858)	–	(328,867)	(180,639)	(3,468,129)
(14,061)	(11,083,983)	(905,709)	(131,981)	(28,331)	(50,764)	(832,128)
(17,888)	(3,548,011)	(691,925)	(167,768)	(34,073)	(67,298)	(945,990)
(6,136)	(853,347)	(853,347)	(7,836)	(6,136)	(6,136)	(172,375)
(2,505,292)	(656,848,998)	(117,612,123)	(20,257,019)	(11,155,646)	(7,707,874)	(161,381,652)
25,053,445	954,574,120	5,057,781,139	587,013,710	22,680,361	232,265,162	3,069,316,958
(2,276)	(29,114,894)	(4,068,680)	(184)	(5,455,880)	(763)	(7,864,850)
(2,857,429)	–	–	–	–	(7,509,697)	(70,051,947)
(2,859,705)	(29,114,894)	(4,068,680)	(184)	(5,455,880)	(7,510,460)	(77,916,797)
22,193,740	925,459,226	5,053,712,459	587,013,526	17,224,481	224,754,702	2,991,400,161
(739,541)	(189,932,056)	(89,729,329)	(6,400,551)	(201,930)	(535,423)	(27,860,072)
21,454,199	735,527,170	4,963,983,130	580,612,975	17,022,551	224,219,279	2,963,540,089

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the financial year ended 31 December 2020

	Notes	Asian Opportunities Fund 31 December 2020 US$	Asian Stars Fund 31 December 2020 US$	Automation & Artificial Intelligence Fund 31 December 2020 US$	Biotechnology Fund 31 December 2020 US$
Net assets attributable to holders of redeemable participating shares at the beginning of the financial year		29,530,051	7,204,135	432,973,479	545,642,821
Issue of redeemable shares during the financial year	9	1,022,912	6,900,069	423,128,837	724,138,196
Fx gain on consolidation	2	–	–	–	–
Redemption of redeemable shares during the financial year	9	(21,329,256)	(359,205)	(311,106,802)	(314,877,448)
Change in net assets attributable to holders of redeemable participating shares		(851,344)	3,702,596	208,365,586	301,534,438
Net assets attributable to holders of redeemable participating shares at the end of the financial year		8,372,363	17,447,595	753,361,100	1,256,438,007

	Notes	Global Technology Fund 31 December 2020 US$	Healthcare Blue Chip Fund 31 December 2020 US$	Healthcare Discovery Fund* 31 December 2020 US$	Healthcare Opportunities Fund 31 December 2020 US$
Net assets attributable to holders of redeemable participating shares at the beginning of the financial year		3,650,300,379	92,465,732	–	1,628,715,705
Issue of redeemable shares during the financial year	9	4,640,789,043	38,845,916	38,114,584	664,961,029
Fx gain on consolidation	2	–	–	–	–
Redemption of redeemable shares during the financial year	9	(2,523,510,963)	(43,976,917)	(1,648,911)	(504,077,209)
Change in net assets attributable to holders of redeemable participating shares		2,888,217,370	4,695,516	11,991,123	334,981,820
Net assets attributable to holders of redeemable participating shares at the end of the financial year		8,655,795,829	92,030,247	48,456,796	2,124,581,345

* Healthcare Discovery Fund launched on 31 January 2020.

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

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

China Stars Fund 31 December 2020 US$	Emerging Markets Income Fund 31 December 2020 US$	Emerging Market Stars Fund 31 December 2020 US$	European ex UK Income Fund 31 December 2020 EUR	Financial Opportunities Fund 31 December 2020 US$	Global Absolute Return Fund 31 December 2020 US$	Global Convertible Fund 31 December 2020 US$	Global Insurance Fund 31 December 2020 GBP
7,415,096	147,974,671	42,996,000	270,262,166	18,801,517	45,417,356	918,616,595	1,552,466,425
3,207,732	24,573,792	270,313,451	101,405,735	5,575,870	14,576,654	336,588,482	677,780,754
–	–	–	–	–	–	–	–
(419,992)	(56,472,667)	(24,725,824)	(133,659,957)	(10,829,555)	(22,157,080)	(404,812,047)	(527,974,980)
3,771,644	(11,663,327)	82,020,122	(47,029,712)	(2,742,338)	9,229,411	197,436,571	(114,439,768)
13,974,480	104,412,469	370,603,749	190,978,232	10,805,494	47,066,341	1,047,829,601	1,587,832,431

Income Opportunities Fund 31 December 2020 GBP	Japan Value Fund 31 December 2020 JPY	North American Fund 31 December 2020 US$	UK Absolute Equity Fund** 31 December 2020 GBP	UK Value Opportunities Fund 31 December 2020 GBP	Total 31 December 2020 US$
164,158,552	40,871,864,753	2,072,514,390	509,468,363	1,266,549,127	14,945,202,724
3,728,959	3,067,091,170	226,981,775	70,466,797	672,390,411	9,392,520,275
–	–	–	–	–	124,308,697
(97,196,753)	(18,717,385,492)	(1,261,371,899)	(444,691,604)	(662,340,261)	(8,053,045,977)
(11,011,144)	(7,268,274,992)	17,037,451	(135,243,556)	(128,405,371)	3,426,506,977
59,679,614	17,953,295,439	1,055,161,717	–	1,148,193,906	19,835,492,696

Comparative Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares

For the financial year ended 31 December 2019

	Notes	Asian Opportunities Fund 31 December 2019 US$	Asian Stars Fund 31 December 2019 US$	Automation & Artificial Intelligence Fund 31 December 2019 US$	Biotechnology Fund 31 December 2019 US$
Net assets attributable to holders of redeemable participating shares at the beginning of the financial year		41,276,887	10,009,250	320,391,297	430,532,260
Issue of redeemable shares during the financial year	9	839,279	250,763	69,314,241	307,357,896
Fx gain on consolidation	2	–	–	–	–
Redemption of redeemable shares during the financial year	9	(17,874,920)	(5,031,315)	(83,252,629)	(328,844,593)
Change in net assets attributable to holders of redeemable participating shares		5,288,805	1,975,437	126,520,570	136,597,258
Net assets attributable to holders of redeemable participating shares at the end of the financial year		29,530,051	7,204,135	432,973,479	545,642,821

	Notes	Global Insurance Fund 31 December 2019 GBP£	Global Technology Fund 31 December 2019 US$	Healthcare Blue Chip Fund 31 December 2019 US$	Healthcare Opportunities Fund 31 December 2019 US$
Net assets attributable to holders of redeemable participating shares at the beginning of the financial year		1,202,546,132	2,495,904,891	73,452,751	1,624,755,507
Issue of redeemable shares during the financial year	9	611,400,483	1,485,156,612	29,348,356	517,193,596
Fx gain on consolidation	2				
Redemption of redeemable shares during the financial year	9	(515,670,114)	(1,312,662,887)	(28,118,199)	(784,847,036)
Change in net assets attributable to holders of redeemable participating shares		254,189,924	981,901,763	17,782,824	271,613,638
Net assets attributable to holders of redeemable participating shares at the end of the financial year		1,552,466,425	3,650,300,379	92,465,732	1,628,715,705

* European Income Fund was terminated on 17 January 2019.

** Japan Fund merged with the Japan Value Fund on 18 October 2019.

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

China Stars Fund 31 December 2019 US$	Emerging Markets Income Fund 31 December 2019 US$	Emerging Market Stars Fund 31 December 2019 US$	European ex UK Income Fund 31 December 2019 EUR€	European Income Fund* 31 December 2019 EUR€	Financial Opportunities Fund 31 December 2019 US$	Global Absolute Return Fund 31 December 2019 US$	Global Convertible Fund 31 December 2019 US$
8,782,568	159,477,722	12,047,243	199,188,005	9,954,415	30,556,320	10,194,304	727,576,847
381,995	26,854,849	24,540,175	155,975,041	225	2,476,650	42,568,842	404,210,968
–	–	–	–	–	–	–	–
(4,027,633)	(52,676,833)	(422,631)	(129,847,352)	(10,117,957)	(19,419,157)	(8,525,201)	(265,883,608)
2,278,166	14,318,933	6,831,213	44,946,472	163,317	5,187,704	1,179,411	52,712,388
7,415,096	147,974,671	42,996,000	270,262,166	–	18,801,517	45,417,356	918,616,595

Income Opportunities Fund 31 December 2019 GBP£	Japan Fund** 31 December 2019 JPY ¥	Japan Value Fund 31 December 2019 JPY ¥	North American Fund 31 December 2019 US$	UK Absolute Equity Fund 31 December 2019 GBP£	UK Value Opportunities Fund 31 December 2019 GBP£	Total 31 December 2019 US$
268,815,956	80,716,782,106	2,188,900,615	2,232,594,271	517,626,989	760,300,834	12,682,572,787
36,838,415	5,880,678,921	44,016,304,640	699,339,426	294,217,770	566,993,691	6,169,752,834
						167,431,622
(162,950,018)	(87,332,988,197)	(10,297,323,632)	(1,440,032,282)	(319,398,947)	(284,964,677)	(7,042,222,069)
21,454,199	735,527,170	4,513,983,130	580,612,975	17,022,551	224,219,279	2,963,540,089
164,158,552	–	40,871,864,753	2,072,514,390	509,468,363	1,266,549,127	14,945,202,724

Statement of Cash Flows

For the financial year ended 31 December 2020

	Asian Opportunities Fund 31 December 2020 US$	Asian Stars Fund 31 December 2020 US$	Automation & Artificial Intelligence Fund 31 December 2020 US$	Biotechnology Fund 31 December 2020 US$
Cash flows from operating activities				
Purchase of financial assets	(10,501,096)	(9,459,051)	(423,642,542)	(1,245,201,213)
Proceeds from sale of financial assets	29,981,063	3,200,155	343,613,991	936,998,207
Inflow/(outflow) from forward foreign currency contracts and futures	69,006	(42,963)	(942,311)	(138,362)
Decrease in margin accounts	–	–	–	–
Dividends and interest received	459,381	72,141	4,666,446	439,083
Operating expenses paid	(560,114)	(130,378)	(13,868,614)	(12,534,135)
Net cash inflow/(outflow) from operating activities	19,448,240	(6,360,096)	(90,173,030)	(320,436,420)
Cash flows from financing activities				
Distributions	–	–	–	–
Income equalisation	(119,908)	–	(117,181)	–
Proceeds from redeemable participating shares issued	1,443,986	6,898,790	422,065,609	726,611,159
Redemptions paid to shareholders	(21,326,774)	(359,205)	(311,120,214)	(325,471,604)
Net cash (outflow)/inflow from financing activities	(20,002,696)	6,539,585	110,828,214	401,139,555
Net (decrease)/increase in cash	(554,456)	179,489	20,655,184	80,703,135
Foreign exchange adjustment on aggregation	–	–	–	–
Cash at beginning of the financial year	984,752	143,909	3,562,824	19,357,790
Cash at end of the financial year	430,296	323,398	24,218,008	100,060,925
Supplementary cash flow information				
Cash flows from operating activities include:				
Cash received during the financial year for dividend income	458,846	72,197	4,778,770	599,202
Cash received during the financial year for bond interest income	–	–	–	–
Cash received during the financial year for bank interest income	534	–	10,680	3,208
Cash paid during the financial year for interest expense	1	(56)	(123,004)	(163,327)
	459,381	72,141	4,666,446	439,083

China Stars Fund 31 December 2020 US$	Emerging Markets Income Fund 31 December 2020 US$	Emerging Market Stars Fund 31 December 2020 US$	European ex UK Income Fund 31 December 2020 EUR	Financial Opportunities Fund 31 December 2020 US$	Global Absolute Return Fund 31 December 2020 US$	Global Convertible Fund 31 December 2020 US$	Global Insurance Fund 31 December 2020 GBP
(7,504,259)	(25,403,493)	(276,876,408)	(132,764,828)	(7,624,406)	(441,759,227)	(3,831,853,787)	(357,869,162)
5,575,743	56,291,639	39,557,425	167,018,399	13,027,731	489,278,040	3,838,551,642	220,584,354
(2,626)	(86,229)	(1,658,199)	(6,224,626)	1,002	(21,161,774)	4,316,495	113,740
		–	–	–	3,640,834	8,994,826	–
121,897	5,522,035	924,798	10,378,596	189,618	1,408,620	36,210,506	25,781,795
(116,074)	(1,666,008)	285,180	(3,225,658)	(165,859)	(571,416)	(8,523,995)	(15,941,264)
(1,925,319)	34,657,944	(237,767,204)	35,181,883	5,428,086	30,835,077	47,695,687	(127,330,537)
–	(5,186,709)	–	(8,438,293)	(160,699)	–	(27,795,727)	(8,820,811)
5,246	(453,589)	21,883	328,898	(25,174)	(18,314)	(3,839,501)	(433,302)
3,174,240	24,693,006	272,735,384	101,441,181	5,566,395	14,613,019	336,090,402	687,175,601
(384,410)	(55,937,471)	(24,086,693)	(133,679,316)	(10,837,661)	(22,157,607)	(405,843,988)	(535,576,901)
2,788,606	(36,884,763)	248,670,574	(40,347,530)	(5,457,139)	(7,562,902)	(101,388,814)	142,344,587
863,287	(2,226,819)	10,903,370	(5,165,647)	(29,053)	23,272,175	(53,693,127)	15,014,050
–	–	–	–	–	–	–	–
61,201	3,653,707	794,082	4,911,441	412,116	(23,058,130)	(10,394,065)	34,408,218
924,488	1,426,888	11,697,452	(254,206)	383,063	214,045	(64,087,192)	49,422,268
136,288	5,526,470	935,349	10,413,395	189,884	891,833	22,682,443	25,917,586
–	–	–	–	–	541,240	13,978,456	–
1,523	345	148	350	151	166	(64,536)	22,992
(15,914)	(4,780)	(10,699)	(35,149)	(417)	(24,619)	(385,857)	(158,783)
121,897	5,522,035	924,798	10,378,596	189,618	1,408,620	36,210,506	25,781,795

Statement of Cash Flows continued

For the financial year ended 31 December 2020

	Global Technology Fund 31 December 2020 US$	Healthcare Blue Chip Fund 31 December 2020 US$	Healthcare Discovery Fund* 31 December 2020 US$	Healthcare Opportunities Fund 31 December 2020 US$
Cash flows from operating activities				
Purchase of financial assets	(9,081,297,226)	(249,008,670)	(64,419,819)	(4,914,728,369)
Proceeds from sale of financial assets	7,602,817,059	257,406,916	31,570,918	4,783,035,552
Inflow/(outflow) from forward foreign currency contracts and futures	48,120,322	(59,478)	(1,433)	(1,621,723)
Decrease/(increase) in margin accounts	22,817,732	–	–	(71,197)
Dividends and interest received	26,955,770	812,991	38,151	12,514,720
Operating expenses paid	(74,432,737)	(883,590)	(219,097)	(23,438,522)
Net cash inflow/(outflow) from operating activities	(1,455,019,080)	8,268,169	(33,031,280)	(144,309,539)
Cash flows from financing activities				
Distributions	–	(652,419)	–	–
Income equalisation	–	12,996	–	2,576
Proceeds from redeemable participating shares issued	4,623,576,050	39,069,659	38,014,563	665,791,946
Redemptions paid to shareholders	(2,508,120,746)	(44,161,871)	(1,644,577)	(496,983,024)
Net cash (outflow)/inflow from financing activities	2,115,455,304	(5,731,635)	36,369,904	168,811,498
Net (decrease)/increase in cash	660,436,224	2,536,534	3,338,624	24,501,959
Foreign exchange adjustment on aggregation	–	–	–	–
Cash at beginning of the financial year	123,954,805	2,036,474	–	(22,560,224)
Cash at end of the financial year	784,391,029	4,573,008	3,338,624	1,941,735
Supplementary cash flow information				
Cash flows from operating activities include:				
Cash received during the financial year for dividend income	26,765,402	834,596	39,453	12,514,405
Cash received during the financial year for bond interest income	–	–	–	–
Cash received during the financial year for bank interest income	190,368	3,015	–	315
Cash paid during the financial year for interest expense	–	(24,620)	(1,302)	–
	26,955,770	812,991	38,151	12,514,720

* Healthcare Discovery Fund launched on 31 January 2020.

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

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

Income Opportunities Fund 31 December 2020 GBP	Japan Value Fund 31 December 2020 JPY	North American Fund 31 December 2020 US$	UK Absolute Fund** 31 December 2020 GBP	UK Value Opportunities Fund 31 December 2020 GBP	Total 31 December 2020 US$
(22,928,527)	(15,175,873,003)	(786,314,992)	(136,483,552)	(680,412,251)	(23,206,540,088)
103,883,254	28,181,493,092	1,793,342,485	417,568,011	630,530,616	22,440,623,825
(235,433)	(417,162,500)	2,554,557	8,411,562	452	29,513,567
2,440,108	–	–	36,599,396	22	87,089,569
5,269,466	563,317,865	13,501,811	511,819	17,576,413	183,990,551
(1,177,327)	(363,842,560)	(13,814,783)	(7,266,261)	(7,538,600)	(196,121,925)
87,251,541	12,787,932,894	1,009,269,078	319,340,975	(39,843,348)	(661,444,501)
(1,723,491)	–	–	–	(15,656,304)	(77,058,211)
(2,367,781)	(80,346,555)	(340,848)	–	46,591	(8,785,049)
3,750,570	4,140,447,286	226,060,158	72,700,160	673,275,311	9,405,727,404
(96,992,387)	(18,773,190,074)	(1,277,223,767)	(448,262,552)	(662,764,953)	(8,071,843,242)
(97,333,089)	(14,713,089,343)	(1,051,504,457)	(375,562,392)	(5,099,355)	1,248,040,903
(10,081,548)	(1,925,156,449)	(42,235,379)	(56,221,417)	(44,942,703)	586,596,402
–	–	–	–	–	1,532,425
10,699,332	2,181,088,172	67,577,636	56,310,393	72,257,517	422,332,618
617,784	255,931,723	25,342,257	88,976	27,314,814	1,010,461,445
2,410,082	568,652,885	13,491,855	2,318,511	17,577,064	169,237,627
2,859,384	–	–	–	–	18,219,253
–	–	11,604	349,238	–	423,583
–	(5,335,020)	(1,648)	(2,155,930)	(651)	(3,889,912)
5,269,466	563,317,865	13,501,811	511,819	17,576,413	183,990,551

Comparative Statement of Cash Flows

For the financial year ended 31 December 2019

	Asian Opportunities Fund 31 December 2019 US$	Asian Stars Fund 31 December 2019 US$	Automation & Artificial Intelligence Fund 31 December 2019 US$	Biotechnology Fund 31 December 2019 US$
Cash flows from operating activities				
Purchase of financial assets	(6,254,537)	(13,181,863)	(186,871,115)	(476,228,294)
Proceeds from sale of financial assets	21,817,592	8,084,502	170,038,535	487,771,997
(Outflow)/inflow from forward foreign currency contracts and futures	(161,151)	(52,946)	(161,124)	(274,743)
Increase in margin accounts	–	–	–	–
Dividends and interest received	592,827	99,545	5,031,321	1,468,193
Operating expenses paid	(401,985)	(34,029)	(3,635,824)	(9,277,797)
Net cash inflow/(outflow) from operating activities	15,592,746	(5,084,791)	(15,598,207)	3,459,356
Cash flows from financing activities				
Distributions	–	–	–	–
Income equalisation	(3,870)	2	(34,224)	–
Bank overdraft	–	–		–
Proceeds from redeemable participating shares issued	418,205	250,763	71,558,904	306,116,626
Redemptions paid to shareholders	(17,909,250)	(5,031,315)	(84,320,182)	(332,125,344)
Net cash outflow from financing activities	(17,494,915)	(4,780,550)	(12,795,502)	(26,008,718)
Net decrease in cash	(1,902,169)	(9,865,341)	(28,393,709)	(22,549,362)
Foreign exchange adjustment on aggregation	–	–	–	–
Cash at beginning of the financial year	2,886,921	10,009,250	31,956,533	41,907,152
Cash at end of the financial year	984,752	143,909	3,562,824	19,357,790
Supplementary cash flow information				
Cash flows from operating activities include:				
Cash received during the financial year for dividend income	579,926	98,902	5,002,030	1,237,723
Cash received during the financial year for bond interest income	–	–	–	
Cash received/(paid) during the financial year for bank interest income	12,902	631	27,533	232,867
Cash paid during the financial year for interest expense	(1)	12	1,758	(2,397)
	592,827	99,545	5,031,321	1,468,193

* European Income Fund was terminated on 17 January 2019.

China Stars Fund 31 December 2019 US$	Emerging Markets Income Fund 31 December 2019 US$	Emerging Market Stars Fund 31 December 2019 US$	European ex UK Income Fund 31 December 2019 EUR€	European Income Fund* 31 December 2019 EUR€	Financial Opportunities Fund 31 December 2019 US$	Global Absolute Return Fund 31 December 2019 US$	Global Convertible Fund 31 December 2019 US$
(4,892,385)	(25,990,234)	(34,374,772)	(127,786,820)	–	(9,477,239)	(192,981,300)	(2,346,946,707)
8,169,285	52,187,416	13,822,787	96,544,571	–	26,059,435	129,754,475	2,176,559,487
3,640	(9,461)	(309,429)	9,656,390	169,503	(11,858)	(1,302,928)	(12,813,753)
–	–	–	–	–	–	(3,640,834)	26,924,172
153,342	7,817,893	522,095	11,495,919	7,232	764,143	971,706	32,627,570
(82,953)	(2,404,912)	(4,157)	(4,106,176)	(582)	(440,761)	(192,415)	(10,928,440)
3,350,929	31,600,702	(20,343,476)	(14,196,116)	176,153	16,893,720	(67,391,296)	(134,577,671)
–	(6,164,189)	–	(10,592,333)	(1,896)	(306,609)	–	(26,603,870)
1,642	(429,543)	40,343	1,083,997	(1,357)	(256,208)	131,002	3,013,060
–	–	–	–	–	–	–	–
381,988	26,748,627	21,379,319	158,192,217	225	2,473,511	42,532,477	404,996,893
(4,027,633)	(52,660,801)	(421,934)	(129,835,142)	(10,117,957)	(19,801,397)	(8,524,674)	(265,176,802)
(3,644,003)	(32,505,906)	20,997,728	18,848,739	(10,120,985)	(17,890,703)	34,138,805	116,229,281
(293,074)	(905,204)	654,252	4,652,623	(9,944,832)	(996,983)	(33,252,491)	(18,348,390)
–	–	–	–	–	–	–	–
354,275	4,558,911	139,830	258,818	9,966,778	1,409,099	10,194,361	7,954,325
61,201	3,653,707	794,082	4,911,441	21,946	412,116	(23,058,130)	(10,394,065)
158,893	7,809,658	521,535	11,523,428	8,143	754,195	715,026	17,292,786
–	–	–	–	–	–	244,026	15,413,526
(201)	8,322	570	–	–	9,990	16,347	57
(5,350)	(87)	(10)	(27,509)	(911)	(42)	(3,693)	(78,799)
153,342	7,817,893	522,095	11,495,919	7,232	764,143	971,706	32,627,570

Comparative Statement of Cash Flows continued

For the financial year ended 31 December 2019

	Global Insurance Fund 31 December 2019 GBP£	Global Technology Fund 31 December 2019 US$	Healthcare Blue Chip Fund 31 December 2019 US$	Healthcare Opportunities Fund 31 December 2019 US$
Cash flows from operating activities				
Purchase of financial assets	(235,886,143)	(2,503,091,103)	(207,631,608)	(4,247,545,813)
Proceeds from sale of financial assets	164,186,108	2,343,646,622	208,594,173	4,412,215,793
(Outflow)/inflow from forward foreign currency contracts and futures	(1,049,043)	(8,873,179)	8,790	(755,583)
Increase in margin accounts	–	9,319,023	–	(418,631)
Dividends and interest received	25,088,447	21,173,494	1,141,918	20,327,716
Operating expenses paid	(17,675,060)	(66,916,061)	(927,510)	(37,664,798)
Net cash inflow/(outflow) from operating activities	(65,335,691)	(204,741,204)	1,185,763	146,158,684
Cash flows from financing activities				
Distributions	(8,852,535)	–	(572,960)	–
Income equalisation	1,587,957	–	(24,253)	(258,829)
Bank overdraft	–	–	–	–
Proceeds from redeemable participating shares issued	605,585,250	1,478,083,703	29,258,086	510,539,165
Redemptions paid to shareholders	(519,527,313)	(1,319,318,744)	(28,067,678)	(793,475,537)
Net cash outflow from financing activities	78,793,359	158,764,959	593,195	(283,195,201)
Net decrease in cash	13,457,668	(45,976,245)	1,778,958	(137,036,517)
Foreign exchange adjustment on aggregation	–	–	–	–
Cash at beginning of the financial year	20,950,550	169,931,050	257,516	114,476,293
Cash at end of the financial year	34,408,218	123,954,805	2,036,474	(22,560,224)
Supplementary cash flow information				
Cash flows from operating activities include:				
Cash received during the financial year for dividend income	25,406,316	19,718,873	1,144,374	19,404,208
Cash received during the financial year for bond interest income	–	–	–	–
Cash received/(paid) during the financial year for bank interest income	–	1,454,603	388	921,316
Cash paid during the financial year for interest expense	(317,869)	18	(2,844)	2,192
	25,088,447	21,173,494	1,141,918	20,327,716

* Japan Fund merged with the Japan Value Fund on 18 October 2019.

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

Income Opportunities Fund 31 December 2019 GBP£	Japan Fund* 31 December 2019 JPY¥	Japan Value Fund 31 December 2019 JPY¥	North American Fund 31 December 2019 US$	UK Absolute Equity Fund 31 December 2019 GBP£	UK Value Opportunities Fund 31 December 2019 GBP£	Total 31 December 2019 US$
(59,720,345)	(45,757,977,172)	(39,879,494,327)	(792,452,033)	(857,695,330)	(730,940,389)	(14,382,037,549)
195,151,583	130,225,934,748	7,918,435,918	1,398,613,973	764,708,565	452,391,334	14,845,488,980
(2,511,282)	(1,860,035,752)	1,131,675,750	(9,920,761)	(56,380,997)	126,375	(107,313,169)
(910,965)	–	–	–	162,248,995	(58)	236,303,832
15,800,456	1,610,896,498	137,880,623	28,371,848	(5,592,496)	31,486,106	235,048,507
(5,674,922)	(1,028,518,129)	(145,120,058)	(26,594,571)	(6,810,381)	(7,412,955)	(222,383,268)
142,134,525	83,190,300,193	(30,836,622,094)	598,018,456	478,356	(254,349,587)	605,107,333
(2,857,429)	–	–	–	–	(7,509,697)	(70,051,947)
(5,991,126)	(722,362,657)	354,428,567	(396,231)	–	3,983,689	(915,581)
–	–	–	–	–	–	–
36,880,554	6,929,037,112	42,925,695,887	701,064,757	293,010,428	564,993,852	6,145,815,921
(163,512,938)	(92,040,306,393)	(10,228,190,429)	(1,431,119,307)	(317,563,557)	(284,570,689)	(7,097,049,135)
(135,480,939)	(85,833,631,938)	33,051,934,025	(730,450,781)	(24,553,129)	276,897,155	(1,022,200,742)
6,653,586	(2,643,331,745)	2,215,311,931	(132,432,325)	(24,074,773)	22,547,568	(417,093,409)
–	–	–	–	–	–	9,678,087
4,045,746	2,666,543,722	(34,223,759)	200,009,961	80,385,166	49,709,949	829,747,940
10,699,332	23,211,977	2,181,088,172	67,577,636	56,310,393	72,257,517	422,332,618
9,318,844	1,641,885,416	141,537,752	27,671,965	(741,217)	31,486,746	214,787,739
6,467,559	–	–	–	–	–	23,882,694
–	–	–	699,916	295,075	123	3,782,455
14,053	(30,988,918)	(3,657,129)	(33)	(5,146,354)	(763)	(7,404,381)
15,800,456	1,610,896,498	137,880,623	28,371,848	(5,592,496)	31,486,106	235,048,507

Notes to the Financial Statements

For the financial year ended 31 December 2020

1. Organisation and nature of business

Polar Capital Funds plc (the 'Company') is an open-ended investment company with variable capital and segregated liability between its sub-funds (the 'Funds'), organised under the laws of Ireland. The Company has been authorised by the Central Bank of Ireland (the 'Central Bank') as an Undertaking for Collective Investment in Transferable Securities ('UCITS') pursuant to the UCITS Regulations and structured as an umbrella fund in that different sub-funds thereof may be established with the prior approval of the Central Bank. The redeemable participating shares of the Funds are listed on Euronext Dublin (formerly The Irish Stock Exchange). At 31 December 2020, the Company had twenty active Funds.

The following Funds are currently authorised:

	Date of first issue of share class	Investment management fee	Performance fee
Asian Opportunities Fund	30/03/2012	Up to 1.00%	10%
Asian Stars Fund	31/12/2018	Up to 1.25%	10%
Automation & Artificial Intelligence Fund	06/10/2017	Up to 1.30%	10%
Biotechnology Fund	31/10/2013	Up to 1.50%	10%
China Stars Fund	31/08/2018	Up to 1.25%	10%
Emerging Markets Income Fund	21/01/2011	Up to 1.50%	10%
Emerging Market Stars Fund	29/06/2018	Up to 1.25%	10%
European ex UK Income Fund	01/07/2015	Up to 0.75%	10%
Financial Opportunities Fund	03/05/2011	Up to 1.50%	10%
Global Convertible Fund	30/08/2013	Up to 1.50%	10%
Global Insurance Fund	27/05/2011	Up to 1.25%	10%
Global Absolute Return Fund	31/12/2018	Up to 1.00%	15%
Global Technology Fund	22/10/2001	Up to 1.50%	10%
Healthcare Blue Chip Fund	11/09/2014	Up to 0.85%	10%
Healthcare Discovery Fund*	31/01/2020	Up to 1.00%	10%
Healthcare Opportunities Fund	03/12/2007	Up to 1.50%	10%
Income Opportunities Fund	30/03/2012	Up to 1.25%	10%
Japan Value Fund	01/11/2012	Up to 1.35%	10%
North American Fund	14/11/2011	Up to 1.35%	10%
UK Absolute Equity Fund**	29/09/2014	Up to 1.50%	20%
UK Value Opportunities Fund	31/01/2017	Up to 0.75%	10%

* Healthcare Discovery Fund launched on 31 January 2020.

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

For each Fund, share classes are available to both Institutional and Retail investors to which different fee rates may apply. For further information regarding the investment management fee and performance fee relating to each Fund please refer to the Prospectus and Supplements to the Prospectus.

The following table details the investment objectives for each of the active Funds. Investors should note that there can be no guarantee that any Fund will achieve its investment objectives.

Fund Name	Investment Objective
Asian Opportunities Fund Fund terminated on 1 March 2021.	The investment objective of the Asian Opportunities Fund is to achieve medium-term capital appreciation and to generate growth of investors' capital. In order to achieve its objective the Fund will invest in equity securities of companies listed or traded on Regulated Markets in the Asian markets outside Japan (including Australasia) although the Fund reserves the right to invest in companies whose securities are traded on other Regulated Markets where these companies derive a substantial proportion (i.e. greater than 30 per cent) of their profits from Asian markets outside Japan (including Australasia). The Fund may also invest in listed securities (including ordinary shares, stocks and convertible bonds) issued by such companies.
Asian Stars Fund	The investment objective of the Asian Stars Fund is to achieve medium to long term growth and to primarily invest in a diversified portfolio of equity securities and equity related securities of, or relating to companies, which are domiciled, or exercise the predominant part of their economic activity, in Asian developed and emerging markets. The fund will generally not invest more than 30% of its Net Asset Value in securities issued by companies in Japan or outside of Asia (such as Australia or New Zealand).
Automation & Artificial Intelligence Fund	The investment objective of Automation & Artificial Intelligence Fund is to achieve long-term capital appreciation by primarily investing in a diversified portfolio of global equity securities which may be listed or traded on a Regulated Market. The Fund is not expected to invest more than 20% of its Net Asset Value in emerging markets. The securities in which the Fund will primarily invest will include equity and equity related securities including, but not limited to, ordinary and preference shares and financial derivative instruments.
Biotechnology Fund	The investment objective of the Biotechnology Fund is to preserve capital and achieve long-term capital appreciation. The Fund will seek to achieve its investment objective by investing in a globally diversified portfolio of biotechnology, diagnostics and life sciences tools companies and will invest in transferable securities including shares, equity warrants and other types of equity related securities such as preferred shares, which will be listed and/or traded on a Regulated Market, and issued by biotechnology, diagnostics and life sciences tools companies. The Fund may also invest in Global depository receipts and American and European depository receipts to gain exposure to biotechnology companies. The Fund may invest in unlisted securities subject to a limit of 10% of its Net Asset Value in unlisted securities. The Fund will seek to outperform the NASDAQ Biotechnology Index.
China Stars Fund	The investment objective of China Stars Fund is to achieve long- term capital growth by primarily investing in a diversified portfolio of equity securities and equity related securities of, or relating to companies, which are domiciled, or exercise the predominant part of their economic activity, in The Peoples' Republic of China, Hong Kong and Taiwan (together 'Greater China'). The Fund is not expected to invest more than 40% of its Net Asset Value in securities issued by companies outside of Greater China. The securities in which the Fund will invest will include transferable securities, to include shares, equities, equity warrants, preferred shares, shares in collective investment schemes with investment policies that are consistent with the Fund's investment objective and securities convertible into shares, which may be listed on a Regulated Market or unlisted (subject to a limit of 10% of the Net Asset Value of the Fund in unlisted securities) and issued by companies.
Emerging Markets Income Fund	The investment objective of each of the Emerging Markets Income Funds is to achieve both income and long term capital growth by investing in securities of issuers that are incorporated, have their headquarters, or exercise a significant part of their economic activities in markets/countries which are, in the Investment Manager's opinion, emerging markets/developing countries.
Emerging Market Stars Fund	The investment objective of the Emerging Market Stars Fund is to achieve long term capital growth. The Fund will seek to achieve its investment objective by primarily investing in a diversified portfolio of equity securities and equity related securities of, or relating to companies, which are domiciled, or exercise the predominant part of their economic activity, in emerging markets. The Fund is not expected to invest more than 30% of its Net Asset Value in securities issued by companies outside of the emerging markets. The securities in which the Fund will invest will include transferable securities, such as shares, equities, equity warrants, preferred shares, and shares in collective investment schemes.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

1. Organisation and nature of business continued

Fund Name	Investment Objective
European ex UK Income Fund	The investment objective of the European ex UK Income Fund is to deliver strong long term risk adjusted returns to achieve both income and capital growth by investing in securities of issuers that are incorporated, have their headquarters, or exercise a significant part greater than 20% of their economic activities in European markets/ countries excluding the United Kingdom. It is anticipated to target an overall yield of 10% higher than that of the Index (MSCI Daily Net Total Return Europe ex UK EUR); however, this cannot be guaranteed.
Financial Opportunities Fund	The investment objective of the Financial Opportunities Fund is to achieve long term capital growth, and in order to achieve its objective the Fund will invest in the securities of financial sector companies and companies related to the financial sector worldwide. These companies primarily include commercial and investment banks, life and non-life insurance and reinsurance companies, asset management and brokerage companies.
Global Absolute Return Fund	The investment objective of the Global Absolute Return Fund is to deliver capital growth over rolling 12-month periods, in all market conditions. There is no guarantee the Fund will achieve this objective over any given period.
Global Convertible Fund	The investment objective of the Global Convertible Fund is to generate both income and long term capital growth by investing in a diversified portfolio of convertible bonds (the underlying of which will be equity securities) and financial derivative instruments. Such securities will be listed and/or traded on a Recognised Exchange. The Fund will have a global geographical focus, and may invest more than 20% of its Net Asset Value in emerging markets.
Global Insurance Fund	The investment objective of the Global Insurance Fund is to provide an attractive total return irrespective of broader economic and financial market conditions. In order to achieve its investment objective the Fund will invest primarily in securities of insurance related companies worldwide. These companies include insurance and reinsurance companies, life assurance companies, insurance brokerage companies and other insurance related businesses including, but not limited to, insurance claims administration companies, insurance support service companies and companies that own insurance related assets.
Global Technology Fund	The investment objective of the Global Technology Fund is long term capital appreciation by way of investing in a globally diversified portfolio of technology companies. Although the Fund may receive income in the form of dividends, interest and from other sources, income is not a primary consideration. The Fund will invest at least two thirds of its net asset value in technology-related companies worldwide. The Fund will take a geographically diversified approach and operate within broad asset allocation ranges, but there are no specified limits on investing in any geographical region or single country.
Healthcare Blue Chip Fund	The investment objective of the Healthcare Blue Chip Fund is to achieve long term capital appreciation. The Fund will seek to achieve its investment objective by investing in a globally diversified portfolio of healthcare companies. The Fund will invest in transferable securities including, shares, equity warrants and other types of equity related securities such as preferred shares, which will be listed and/or traded on a Regulated Market, and issued by healthcare companies, to include, but not limited to, pharmaceutical, biotechnology, medical device and healthcare services companies. The Healthcare Blue Chip Fund may also invest in Global depository receipts and American and European depository receipts to gain exposure to healthcare companies.
Healthcare Discovery Fund	The investment objective of the Healthcare Discovery Fund is to achieve long term capital appreciation by way of investing in a globally diversified portfolio of healthcare companies which may be listed on traded on a Regulated Market. The securities in which the Fund will primarily invest will include equity and equity related securities including, but not limited to, ordinary and preference shares and financial derivative instruments. The Fund will typically invest in small capitalisation issues depending on market liquidity and as it judges the available opportunities. The Fund will take a geographically diversified approach. There are no specified limits on investing in any geographical region or in any sub-sector of healthcare.
Healthcare Opportunities Fund	The investment objective of the Healthcare Opportunities Fund is to preserve capital and achieve long term capital appreciation by investing in a globally diversified portfolio of healthcare companies. The Fund will seek to outperform the MSCI Global Healthcare Index whilst striving to limit the volatility of the Fund's returns. The Fund will take a geographically diversified approach and operate within broad asset allocation ranges, but there are no specified limits on investing in any geographical region or in any sub-sector of healthcare. Non-healthcare related securities will not exceed one third of the Fund's total assets.

Fund Name	Investment Objective
Income Opportunities Fund	The investment objective of the Income Opportunities Fund is to provide an attractive level of income together with capital growth. In order to achieve its objective the Fund will invest primarily in the equity, debt and other securities of listed financial companies. The debt securities in which the Fund will invest will be fixed and floating rate and include, but are not limited to, preference shares, convertible bonds, debentures and bonds with the restriction that unrated debt securities will not be greater than 25% of the Net Asset Value of the Fund. The other securities in which the Fund may invest will be securities with equity characteristics, including but not limited to preferred stocks, as well as depository receipts (including global depositary receipts traded) for such securities.
Japan Value Fund	The investment objective of the Japan Value Fund is to achieve long term capital appreciation. The Fund will seek to achieve its investment objective by investing primarily in equity securities of issuers that exercise a significant part of their economic activities in Japan or are organised under the laws of Japan. The Fund intends to primarily invest its assets in securities listed on the Tokyo and regional Japanese exchanges that are Regulated Markets. Investment will primarily be concentrated in securities listed on the Tokyo Stock Exchange, however, the Fund may also, to a limited extent, invest in securities listed on regional Japanese exchanges. In addition, the Fund may also, to a limited extent, invest in securities listed and/or traded globally on Regulated Markets which securities provide exposure to the Japanese market.
North American Fund	The investment objective of the North American Fund is to achieve long term capital appreciation. The Fund invests in a diversified portfolio of securities of North American companies. The Investment Manager will invest in large, medium and small capitalisation companies depending on market liquidity and as it judges the available opportunities.
UK Value Opportunities Fund	The investment objective of the UK Value Opportunities Fund is to achieve long term capital appreciation. The Fund will seek to achieve its investment objective by primarily investing in a diversified portfolio of equity securities listed in the UK. The securities in which the Fund will invest will primarily include equity securities including, but not limited to ordinary and preference shares and equity warrants. The Fund will aim to outperform the FTSE All-Share Total Return Index by investing in undervalued companies or shares, whilst striving to reduce the volatility of the Fund's return by investing in a diversified portfolio.

2. Principal Accounting Policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below.

A. Basis of preparation

These Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS'), with Irish Statute comprising the Companies Act 2014 and with the Central Bank UCITS Regulations.

The financial statements have been prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss and derivative financial instruments in accordance with the relevant accounting standards. All other assets and liabilities are short term in nature and their carrying value approximates fair value. Redeemable participating shares are stated at redemption amount (redeemable participating shares).

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

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Where applicable, information about assumptions and estimation uncertainties that have an impact on the financial statements are disclosed in Note 2 (D) and Note 10 and relate to the determination of fair value of financial instruments with significant unobservable inputs. As at 31 December 2020 and 31 December 2019, the sub-funds do not hold any financial instruments with significant unobservable inputs.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

2. Principal Accounting Policies continued

A. Basis of preparation continued

The UK Absolute Equity Fund financial information has been prepared on a non-going concern basis of accounting where all assets are stated at their estimated recoverable amounts. As the assets of the Funds were already carried at amounts which approximate their recoverable amounts the re-measurement has not resulted in any adjustments to their value.

The Asian Opportunities Fund financial information has been prepared on a non-going concern basis of accounting as the Fund was terminated on 1 March 2021.

International Financial Reporting Standards

The Company has adopted all applicable International Financial Reporting Standards as endorsed by the European Union.

The Company classifies its redeemable shares as financial liabilities in accordance with IAS 32. The financial statements of the Company also include qualitative disclosure which indicates how the net asset value attributable to redeemable shareholders is calculated.

The combination of the above disclosures is considered, in this instance, to be sufficient to address the requirements of the amendments.

IFRIC Interpretation 23 Uncertainty over Income Tax Treatment

On 7 June 2017, the International Accounting Standards Board issued IFRIC Interpretation 23 – uncertainty over Income Tax Treatments (the 'Interpretation'). The Interpretation clarifies application of recognition and measurement requirements in IAS 12 Income Taxes when there is uncertainty over the income tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

IFRIC Interpretation 23 Uncertainty over Income Tax Treatment

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Interpretation had an impact on its financial statements.

The accounting policies have been applied consistently by the Company.

B. Swing pricing/dilution levy

A Fund may suffer dilution of the net asset value per share due to investors buying or selling shares in a Fund at a price that does not reflect dealing and other costs that arise when security trades are undertaken by the Investment Manager to accommodate cash inflows or outflows.

In order to counter this impact, a swing pricing mechanism has been adopted to protect the long-term interests of shareholders of the Funds. If, on any valuation date, the aggregate net capital activity of a Fund exceeds a pre-determined threshold, as established and reviewed by the Board of Directors of the Company, the net asset value per share will be adjusted upwards or downwards to reflect costs associated with the net capital inflows/(outflows) respectively.

The swing factor is impacted by three factors:

1. Adjustment for the spread between the bid and offer price of the underlying securities (currently a Fund will only swing to bid on material net redemptions).
2. An adjustment for broker fees and other market charges.
3. An adjustment for governmental taxes and duties payable on securities transactions.

As a result of capital activity at the financial year end on the UK Value Opportunities Fund and Income Opportunities Fund, these Funds' net asset value per share at the financial year end was adjusted to reflect factors two and three above. The level of activity was not sufficiently material to justify applying factor one, or to require adjustment for any other Funds.

For financial reporting purposes, the net assets of each Fund at 31 December 2020 as disclosed in the Statement of Financial Position and Statement of Changes in Net Assets attributable to Holders of Redeemable Participating Shares, does not reflect any swing pricing or duties and charges adjustment. The net asset value per share at 31 December 2020 used for dealing purposes, which is shown in Note 9 and Note 12, includes any swing price adjustments.

The following table sets out a reconciliation of the financial reporting net asset value per share and the dealing Net Asset Value per share for the two Funds affected:

Income Opportunities Fund	Dealing NAV per share	Swing Pricing Adjustment	Financial Statements NAV per share
Class A1 Sterling Distribution	£1.27	£0.00	£1.27
Class A2 Sterling Accumulation	£2.22	£0.00	£2.22
Class B1 Sterling Distribution	£1.34	£0.00	£1.34
Class B2 Sterling Accumulation	£2.33	£0.00	£2.33
Class I Euro Accumulation	€2.60	€0.00	€2.60
Class I Euro Distribution	€1.50	€0.00	€1.50
Class I Euro Hedged Accumulation	€13.38	€0.01	€13.37
Class I Euro Hedged Distribution	€10.81	€0.01	€10.80
Class I US Dollar Accumulation	$3.18	$0.00	$3.18
Class I US Dollar Distribution	$1.83	$0.00	$1.83
Class R Euro Accumulation	€2.48	€0.00	€2.48
Class R Euro Distribution	€1.41	€0.00	€1.41
Class R Euro Hedged Accumulation	€13.09	€0.01	€13.08
Class R Euro Hedged Distribution	€10.60	€0.01	€10.59
Class R US Dollar Accumulation	$3.04	$0.00	$3.04
Class R US Dollar Distribution	$1.73	$0.00	$1.73
Class R US Dollar Hedged Accumulation	$11.39	$0.01	$11.38
Class R US Dollar Hedged Distribution	$9.72	$0.00	$9.72
Class Z Sterling Accumulation	$0.00	$0.00	$0.00
Class Z Sterling Distribution	$0.00	$0.00	$0.00

UK Value Opportunities Fund	Dealing NAV per share	Swing Pricing Adjustment	Financial Statements NAV per share
Class I Sterling Accumulation	£12.19	£0.05	£12.14
Class I Sterling Distribution	£11.59	£0.05	£11.54
Class R Sterling Accumulation	£10.23	£0.05	£10.18
Class S Sterling Accumulation	£12.25	£0.05	£12.20
Class S Sterling Distribution	£11.61	£0.05	£11.56
Class Z Sterling Accumulation	£10.97	£0.05	£10.92
Class Z Sterling Distribution*	£0.00	£0.00	£0.00

* Share Class terminated during the period.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

2. Principal Accounting Policies continued

C. Foreign exchange translation

(i) Presentational currency

Items included in the Company's Financial Statements are measured using the currency of the primary economic environment in which it operates (the 'presentational currency'). The presentation currency for the Company is US Dollars ('$' or 'US$'). The functional currency for each Fund is driven by the investment policy of each Fund. This is US$ for all Funds with the exception of European ex UK Income Fund and European Income Fund, for which the functional currency is Euro ('EUR' or '€'), Global Insurance Fund, Income Opportunities Fund, UK Absolute Equity Fund and UK Value Opportunities Fund, the functional currency of which is Sterling ('GBP' or '£') and Japan Fund and Japan Value Fund, for which the functional currency is Japanese yen ('JPY' or '¥').

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income. For the purposes of aggregation, the amounts in the financial statements for the European ex UK Income Fund, European Income Fund, Global Insurance Fund, Income Opportunities Fund, Japan Fund, Japan Value Fund, UK Absolute Equity Fund and UK Value Opportunities Fund have been translated to US$ at the exchange rate ruling at the financial year end.

The foreign currency translation adjustment of US$124,308,697 (31 December 2019: US$167,431,623) included in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares is due to the movement in exchange rates between 1 January 2020 and 31 December 2020 and the rate difference arising on the translation of the Statement of Comprehensive Income and the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares at average rates. The translation is in relation to the notional value for the Company only and has no impact on any individual Fund.

Proceeds from subscriptions and amounts paid on redemption of redeemable participating shares are translated at daily rates, which approximate the rates prevailing at the dates of the transactions.

D. Investments at fair value

(i) Classification of financial assets

On initial recognition, the Company classifies financial assets as measured at amortised cost or fair value through profit or loss (FVTPL). A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ('SPPI').

The Company's financial assets include equity investments, debt securities, investments in unlisted open-ended investment funds and derivatives. These financial assets are managed and their performance is evaluated, on a fair value basis, with frequent sales taking place, other than short term receivables held for collection and which meet the criteria for measurement at amortised cost.

The Company's financial assets and liabilities are measured as follows:

Financial Assets	Measurement
Equities	FVTPL
Debt securities	FVTPL
Investment funds	FVTPL
Financial derivative instruments	FVTPL
Cash and cash equivalents	Amortised cost
Other assets	Amortised cost

Financial Liabilities	
Financial derivative instruments	FVTPL
Other liabilities	Amortised cost
Net assets attributable to unitholders	

(ii) Recognition and derecognition of financial liabilities

Purchases and sales of investments are recognised on trade date, which is the date on which the Company commits to purchase or sell the asset. Investments are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(iii) Measurement

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately. Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income. Other financial assets are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method. Financial liabilities arising from the redeemable participating shares issued by the Funds are carried at the redemption amount representing the investors' right to a residual interest in the Funds' assets.

Gains and losses on investments

Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the Statement of Comprehensive Income in the period in which they arise.

Investment transactions are accounted for on a trade date basis. Profits and losses on the disposal of investments are calculated by reference to the net proceeds received on disposal and the cost attributable to those investments based on the first in first out basis and are included in the Statement of Comprehensive Income.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

2. Principal Accounting Policies continued

D. Investments at fair value continued

(iv) Fair value measurement principles

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the Statement of Financial Position date. The value of financial assets and liabilities which is quoted, listed or normally dealt in on a regulated market shall be the last traded price on such regulated market as at the valuation point or the mid-price, where no trades occurred on such day where relevant.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the value of any investment which is not quoted, listed or normally dealt in on a regulated market shall be the probable realisable value estimated with care and in good faith by a competent person, firm or association making a market in such investment (approved for the purpose by the Depositary) and/or any other competent person, in the opinion of the Directors (and approved for the purpose by the Depositary).

Investment funds

Open-ended Investment funds are included in the accounts at the last reported NAV at close of business on the last dealing day of the reporting period. The changes in the daily net asset value of these Units are recognised in the Statement of Comprehensive Income.

Contracts for difference and swaps

Contracts for difference and equity swaps are agreements between the Company and third parties which allow the Company to acquire an exposure to the price movement of specific securities without actually purchasing the securities. The changes in contract values are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on contracts for difference and equity swaps are recognised in the Statement of Comprehensive Income.

Futures

A futures contract is an agreement between two parties to buy or sell a security, index or currency at a specific price or rate at a future date. Upon entering into a futures contract, the Company is required to deposit with a broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as 'initial cash margin'. Subsequent payments ('variation margin') are made or received by the Company each day, depending upon the daily fluctuation in the value of the contract. The daily changes in contract value are recorded as unrealised gains or losses and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on futures contracts are recognised in the Statement of Comprehensive Income.

Forward foreign currency contracts

A forward foreign currency contract ('FFCC') involves an obligation to purchase or sell a specific currency at a future date at a price set at the time the contract is made. FFCCs will be valued by reference to the forward price at which a new FFCC of the same size and maturity could be undertaken at the valuation date. The realised and unrealised gain or loss on open FFCC is calculated as the difference between the contract rate and this FFCC price and the Company recognises a realised gain or loss when the contract is closed. Realised and unrealised gains and losses on FFCCs are recognised in the Statement of Comprehensive Income. Where a FFCC is purchased to hedge the currency risk of a specific class which is issued in a currency other than the measurement currency of the Company, all gains or losses on that contract are allocated to that class.

Options

As part of the Company's investment strategy, it enters into options which are recognised in the Statement of Financial Position at fair value. The premium on purchased put options exercised is subtracted from the proceeds of the sale of the underlying security or foreign currency in determining the realised gain or loss. The premium on purchased call options exercised is added to the cost of the securities or foreign currency purchased. Premiums paid on the purchase of options which expire unexercised are treated as realised losses. Unrealised gains or losses on options are included in assets or liabilities on the Statement of Financial Position and movements are dealt with through the Statement of Comprehensive Income.

Warrants

Warrants are sometimes used to gain exposure to emerging market equities where custody, liquidity, or other issues make ownership of local shares sub-optimal. The valuation of warrants depends on the level of trading. If the warrants are actively traded in the market then the market price is used. If the warrants are not actively traded in the market then the intrinsic value of the warrant based on the underlying equity price and the warrant strike price is used.

E. Other measurement principles

Cash and bank overdrafts

Cash, other liquid assets and bank overdrafts are valued at their face value with interest accrued, where applicable. Cash at bank and bank overdraft balances are comprised of cash balances held with The Northern Trust Company (TNTC) and includes investors' money held in collection accounts.

Margin cash and margin receivable

Cash provided by the Funds to a counterparty in relation to futures and option contracts is identified in the Statement of Financial Position as Margin Cash. Margin Cash is not included as a component of cash and cash equivalents in the Statement of Financial Position and is not available to the Funds on demand.

Margin receivable or payable is held with or due to Credit Suisse Securities (Europe) Limited ('Credit Suisse') and UBS AG.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at amortised cost plus transaction costs that are directly attributable to their acquisition.

Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost. The difference between proceeds and amount payable is recognised over the period of the payable using the effective interest method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

The Company has an ISDA Master Agreement (the 'Agreement') with Credit Suisse and UBS AG. Under certain conditions, as set out under the Agreement, amounts payable by one party to the other in respect of derivative contracts covered by the Agreement may be off-set against any other amounts payable by the payee to the payer.

Redeemable participating shares

Redeemable participating shares are redeemable at the shareholder's option and are classified as financial liabilities. Distributions on these redeemable participating shares are recognised in the Statement of Comprehensive Income as finance costs.

Redeemable participating shares can be put back to the Company at any time for cash equal to a proportionate share of the Company's net asset value. The redeemable participating shares are carried at the present value of the redemption amount that is payable at the Statement of Financial Position date if the shareholders exercised their rights to put the shares back to the Company.

Transaction costs

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument.

Transaction costs on the purchase and sale of bonds, forward foreign currency contracts, CFDs, investment funds and warrants are included in the purchase and sale price of the investment. They cannot be practically or reliably gathered as they are embedded in the cost of the investment and cannot be separately verified or disclosed.

Transaction costs on purchases and sales of equities, futures and options are included in net gains/(losses) on financial assets at fair value through profit or loss in the Statement of Comprehensive Income for each Fund. These costs are separately identifiable and are disclosed in Note 15.

Income Equalisation

Income equalisation is a process by which accrued income included in the price of shares purchased and redeemed during the accounting financial year is reported to Shareholders. The subscription price of Shares is deemed to include an equalisation payment calculated by reference to the accrued income of the relevant Fund and the first distribution in respect of any Share will include a payment of income usually equal to or greater than the amount of such equalisation payment. The redemption price of each Share will also include an equalisation payment in respect of the accrued income of the relevant Fund up to the date of redemption. Income equalisation is classified as investment income in the Statement of Comprehensive Income.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

2. Principal Accounting Policies continued

F. Distribution policy

The share classes of certain Funds have been approved by the United Kingdom HM Revenue and Customs as Reporting Funds in accordance with the UK Offshore Funds (Tax) Regulations 2009. The Directors intend to continue the distribution policy as outlined below unless otherwise specified in the relevant fund supplement. Dividends, if declared, will only be paid out of the Company's net investment income return (i.e. income from dividends, interest or otherwise, less the Company's accrued expenses to be certified for the accounting period), realised and unrealised profits on the disposal/revaluation of investments and other assets less realised and unrealised losses of the Company, although the amount available for distribution in respect of certain Funds may be effectively increased by the charging of expenses to capital. Funds which can avail of this facility are identified in the relevant Fund supplement.

Dividends will normally be paid in May of each financial year for all of the Funds except for the Distributing Share Classes of the Emerging Market Income Fund, European ex UK Income Fund, European Income Fund, Global Convertible Fund and Financial Opportunities Fund for which dividends will be paid in July and January and for the Distributing Share Classes of the Global Insurance Fund and Income Opportunities Fund for which dividends are to be declared at the beginning of each calendar quarter in respect of the preceding quarter, and paid by the end of the month in which they are declared. Any dividend paid on a redeemable participating share that is not claimed will not earn interest and, if not claimed within six years of its declaration, shall be forfeited for the benefit of the Company.

G. Operating expenses

The Company is responsible for all normal operating expenses including investment management fees, depositary fees, performance fees, administration fees, audit fees, stamp duties and accruals and other duties and charges incurred on the acquisition and realisation of investments. These are accounted for on an accruals basis. The Investment Manager, Polar Capital LLP ('the Investment Manager'), meets all other operating expenses incurred by it in connection with its services.

H. Interest and dividend income

Interest income and expense is recognised in the Statement of Comprehensive Income for all the relevant instruments using the effective interest method. The effective interest method is a method of calculating the amortised cost of the financial asset or the financial liability and of allocating the interest income or expense over the relevant period.

Dividends are recognised to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as 'ex-dividend'. Dividend income is recorded gross of irrecoverable dividend withholding tax which is disclosed separately in the Statement of Comprehensive Income. Bank interest income is recognised on an accruals basis.

3. Fees and Expenses

The Investment Manager is entitled to receive an investment management fee and a performance fee in respect of each Fund together with any extraordinary out of pocket expenses. The investment management fee is accrued daily and is payable monthly in arrears. Please see Note 1 for a breakdown of investment management and performance fee rates for each Fund. Investment management fees are calculated before deduction for any accrued performance fees. An initial payment of the investment management fee based on the most recently published Net Asset Value will be made on the last day of each month, with an adjustment being made where necessary, on the last day of the next month.

In general, the performance fee is calculated separately for each class of shares in a Fund and is equal to a percentage of the amount by which the increase in the Net Asset Value (prior to the provision for a performance fee) during the relevant performance period exceeds the increase in the Indexed Net Asset Value (the specific established index that the respective Fund is aiming to track) over the same period. However, the precise method of calculation may differ in each case. Full details are set out in the Prospectus supplement for each Fund. The performance fee is accrued daily and payable annually on 31 December, where there is a performance fee payable.

All fees paid to the Investment Manager, including any performance fees, are disclosed separately in the Statement of Comprehensive Income. US$78,305,315 (31 December 2019: US$25,763,119) was due to the Investment Manager at 31 December 2020, which includes both investment management and performance fees. Please refer to Note 3 for further details.

The Administrator is entitled to receive a fee of 0.09% of the first US$1.5 billion of the Company's Net Asset Value, 0.07% of the next US$3.5 billion of the Company's Net Asset Value, 0.04% of the next US$5 billion of the Company's Net Asset Value and 0.02% of the Company's Net Asset Value thereafter, subject to a monthly minimum fee of US$3,500 in respect of each Fund, which shall be accrued daily and paid monthly in arrears.

The Administrator shall also be entitled to be repaid out of the assets of the Company or relevant Fund all of its reasonable out-of-pocket expenses incurred on behalf of the Company (which shall include legal fees, couriers' fees and telecommunication costs and expenses).

The Depositary is entitled to an annual fee from the Company accrued daily and paid monthly in arrears of 0.015% of the Company's Net Asset Value, subject to a monthly minimum fee of US$1,200 in respect of each Fund, which shall be accrued daily and paid monthly in arrears. The Depositary shall also be entitled to be repaid out of the assets of each Fund all reasonable out-of-pocket expenses incurred by it on behalf of the relevant Fund (such as telephone, postage, printing, legal and fax expenses) including stamp duties and registration fees and the fees and expenses of sub-custodians, at normal commercial rates.

The Austrian Paying Agent, Meinl Bank AG, is entitled to receive an annual fee of €3,000 and is entitled to receive reimbursement of agreed costs incurred in transmitting dividends, redemption proceeds and documentation to Shareholders in Austria.

The German Paying and Information Agent, Deutsche Bank AG, is entitled to receive an annual fee of €18,000, a proportional handling fee for each new Fund and agreed costs in transmitting dividends, redemption proceeds and documentation to Shareholders in Germany.

The French paying and information agent, BNP Paribas Securities Services, is entitled to receive an annual fee of €7,000, a proportional handling fee for each new Fund and agreed costs in transmitting dividends, redemption proceeds and documentation to Shareholders in France.

BNP Paribas Securities Services also acts as the Swiss Representative and Swiss Paying Agent and for the financial year ended 31 December 2020 was entitled to receive the following fees for this service:

(i) an annual fee of CHF 34,000;

(ii) additional hours for extraordinary expenditures which are not covered by the agreement and which are billed at CHF 250 per hour;

(iii) reimbursement for all external costs, such as the publication of rates or other publication costs, charges levied by the Swiss Financial Market Supervisory Authority ('FINMA') and any amounts charged by external lawyers on behalf of the Company.

The Austrian, German, French, Sweden and Swiss paying agents are also entitled to receive reimbursement of any reasonable out of pocket expenses incurred by them in the performance of their duties.

The Directors fees are disclosed in Note 8 and the Statement of Comprehensive Income.

Auditors' remuneration

The remuneration for all work carried out by the statutory auditors in respect of the financial year is as follows:

	2020 EUR	2019 EUR
Statutory audit fee	154,000	154,000
Other assurance services	–	–
Tax advisory services	–	–
Other non audit services	–	–
	154,000	154,000

Amounts payable at the year-end to the Administrator, Depositary, Directors, Auditors and other general expenses are included in sundry creditors on the Statement of Financial Position.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

4. Bank Overdraft

The Company has an overdraft facility with The Northern Trust Company for liquidity purposes. The assets of the relevant Fund are held as collateral for the overdraft when it is utilised. As at the financial year end the following Funds had bank overdrafts:

Automation & Artificial Intelligence Fund: $21,259,046 (31 December 2019: $17,354,599)

Biotechnology Fund: $1,994,610 (31 December 2019: $1,857,468)

China Stars Fund: $Nil (31 December 2019: $139,802)

European ex UK Income Fund: €254,206 (31 December 2019: €Nil)

Global Absolute Return Fund: $3,080,696 (31 December 2019: $23,893,785)

Global Convertible Fund: US$116,048,142 (31 December 2019: $28,018,836)

Global Insurance Fund: £Nil (31 December 2019: £1,773,050)

Healthcare Blue Chip Fund: US$1,980,003 (31 December 2019: US$1,810,815)

Healthcare Opportunities Fund: $Nil (31 December 2019: $23,186,649)

Japan Value Fund: ¥75,316,023 (31 December 2019: ¥2,916,622)

North American Fund: $378,941 (31 December 2019: $1,667,875)

UK Absolute Equity: £8,938 (31 December 2019: £Nil)

UK Value Opportunities Fund: £38,779 (31 December 2019: £43,919)

5. Soft Commissions and investment research

The Investment Manager has committed to the Company that it will bear the cost of all general written research consumed by its investment teams. For certain strategies where the consumption of specialised research is regarded as critical to the investment process, the Company will pay for such costs up to a level pre-agreed with the Directors. The Funds that paid for the cost of specialised research are listed below:

Asian Opportunities Fund
Asian Stars Fund
Automation & Artificial Intelligence Fund
Biotechnology Fund
China Stars Fund
Emerging Markets Income Fund
Emerging Market Stars Fund
Financial Opportunities Fund
Global Absolute Return Fund
Global Convertible Fund
Global Insurance Fund
Global Technology Fund
Healthcare Blue Chip Fund
Healthcare Discovery Fund
Healthcare Opportunities Fund
Income Opportunities Fund
Japan Value Fund
UK Absolute Equity Fund
UK Value Opportunities Fund

The Investment Manager received no soft commissions during the financial year.

6. Exchange Rates

The exchange rates used at 31 December 2020 and 31 December 2019 were as follows:

Exchange Rate	31 December 2020 to US$	31 December 2019 to US$
Australian dollar	1.2959	1.4226
Brazilian real	5.1942	4.0227
Canadian dollar	1.2740	1.2968
Czech koruna	21.4638	22.6406
Danish krone	6.0835	6.6570
Egyptian pound	15.7300	16.0500
Euro	0.8173	0.8909
Hong Kong dollar	7.7539	7.7918
Hungary forint	296.4203	294.6192
Indian rupee	73.0675	71.3782
Indonesian rupiah	14,050.0000	13,882.5000
Japanese yen	103.2450	108.9850
Korean won	1,086.3000	1,156.4500
Malaysian ringgit	4.0225	4.0905
Mexican peso	19.9255	18.8840
Norwegian krone	8.5620	8.7873
Pakistani rupee	159.8000	154.8650
Philippine peso	48.0235	50.6450
Polish zloty	3.7260	3.7873
Qatari riyal	3.6410	3.6410
Romanian leu	3.9782	4.2639
Singapore dollar	1.3217	1.3447
South Africa rand	14.6888	13.9835
Sri Lanka rupee	185.2500	181.3750
Sterling	0.7316	0.7549
Swedish krona	8.2126	9.3611
Swiss franc	0.8840	0.9684
Taiwan dollar	28.0980	29.9770
Thai baht	29.9600	29.9538
Turkish lira	7.4325	5.9510
UAE dirham	3.6732	3.6732

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

6. Exchange Rates continued

Exchange Rate	31 December 2020 to EUR	31 December 2019 to EUR
Danish krone	7.4435	7.4725
Japanese yen	126.3256	122.3357
Norwegian krone	10.4760	9.8638
Sterling	0.8951	0.8473
Swedish krona	10.0485	10.5078
Swiss franc	1.0816	1.0870
United States dollar	1.2236	1.1225

Exchange Rate	31 December 2020 to GBP	31 December 2019 to GBP
Australian dollar	1.7715	1.8846
Brazilian real	7.1002	5.3291
Canadian dollar	1.7415	1.7179
Danish krone	8.3158	8.8189
Euro	1.1172	1.1802
Hong Kong dollar	10.5991	10.3222
Indian rupee	99.8797	94.5583
Indonesian rupiah	19,205.6646	18,390.8518
Japanese yen	141.1309	144.3780
Malaysian ringgit	5.4986	5.4189
Norwegian krone	11.7038	11.6410
Singapore dollar	1.8066	1.7813
South Africa rand	20.0788	18.5247
Swedish krona	11.2262	12.4011
Swiss franc	1.2083	1.2828
Thai baht	40.9539	39.6813
United States dollar	1.3670	1.3248

Exchange Rate	31 December 2020 to JPY	31 December 2019 to JPY
Euro	0.0079	0.0082
Sterling	0.0071	0.0069
Swiss franc	0.0086	0.0089
United States dollar	0.0097	0.0092

All exchange rates are official rates and come from quoted sources.

7. Taxation

Under current Irish law and practice the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended (the 'TCA'). On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise if a 'chargeable event' occurs. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation, transfer or deemed disposal of shares for Irish tax purposes, arising as a result of holding shares in the Company for a period of eight years or more, or the appropriation or cancellation of shares of a shareholder by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer.

No Irish tax will arise on the Company in respect of chargeable events in respect of:

(i) transactions by a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided that a relevant declaration is in place (in accordance with Schedule 2b of the TCA) and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct; or

(ii) transactions by a shareholder who is an exempt Irish investor (as defined in Section 739D TCA)

Dividends, interest and capital gains (if any) received on investments made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its shareholders.

During the financial year ended 31 December 2020 and 31 December 2019 the following Funds were subject to Indian and Brazilian capital gain taxes on sale of investments: Asian Opportunities, Asian Stars, Emerging Market Stars and Financial Opportunities. Such charges are included in Net realised and unrealised gain/(loss) on investments in Statement of Comprehensive Income.

8. Related Party Transactions

A number of the Directors held interests directly or indirectly in the Funds during the financial year. At the end of the year, their interests were as follows:

			Number of Holdings	
Director	**Fund**	**Share Class**	**31 December 2020**	**31 December 2019**
David Astor	Financial Opportunities Fund	Class I Sterling Distribution	4,685	4,685
	Income Opportunities Fund	Class B1 Sterling Distribution	9,531	9,531
	Japan Value Fund	Class S Hedged	1,125	1,125
Charles Scott	Biotechnology Fund	Class I US Dollar Distribution	10,707	10,707
	Global Insurance Fund	Class R US Dollar Accumulation	69,977	69,977
	Income Opportunities Fund	Class B2 Sterling Accumulation	184,233	156,424
	Emerging Market Stars	Class I Sterling Accumulation	9,275	–
	Automation and Artificial Intelligence Fund	Class I Sterling Accumulation	8,010	–
	Asian Opportunities Fund	Class I Sterling Hedged	7,040	–
Jamie Cayzer-Colvin	UK Absolute Equity Fund	Class I Sterling Distribution	–	2,500
Robert Bovet	Biotechnology Fund	Class I US Dollar Distribution	8,000	8,000
Harrow Investments Ltd (Ronan Daly Beneficial Interest)	Global Insurance Fund	Class I Hedged US Dollar Accumulation	–	9,232

No other Director had any interest in the redeemable participating shares of the Company during the financial year.

The remuneration of the Directors of the Company may not, in the aggregate, exceed €1,000,000. Directors fees earned during the financial year ended 31 December 2020 and 31 December 2019 are disclosed in the Statement of Comprehensive Income.

James Cayzer-Colvin is a Director of both the Company and the holding company of Polar Capital LLP.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

8. Related Party Transactions continued

Polar Capital LLP is the Investment Manager of Polar Capital Funds plc and Polar Capital Partners Limited is a controlling partner of Polar Capital LLP. As at 31 December 2020 and 31 December 2019, Polar Capital Partners Limited held shares in the Funds listed below:

	Number of Shares	
Fund	**31 December 2020**	**31 December 2019**
Asian Opportunities Fund		
Class I Euro Distribution	11	11
Class I Euro Hedged Distribution	100	100
Class I Sterling Distribution	12	12
Class I Sterling Hedged Distribution	100	100
Class I US Dollar Distribution	108	108
Asian Stars Fund		
Class I Euro Accumulation	114	114
Class I Sterling Accumulation	127	127
Class I US Dollar Accumulation	100	100
Class R Euro Accumulation	114	114
Class R Sterling Accumulation	127	127
Class R US Dollar Accumulation	100	100
Class S Euro Accumulation	114	114
Class S Sterling Accumulation	127	127
Class S US Dollar Accumulation	545,500	545,500
Automation & Artificial Intelligence Fund		
Class I Euro Accumulation	117	117
Class I Sterling Accumulation	130	130
Class I US Dollar Accumulation	100	100
Class R Euro Accumulation	117	117
Class R US Dollar Accumulation	100	100
Class S Euro Accumulation	117	117
Class S Sterling Accumulation	156,947	99,486
Class S US Dollar Accumulation	10,867	100
Class Z Sterling Accumulation	100	100
Biotechnology Fund		
Class I Sterling Hedged Distribution	100	100
Class S Sterling Distribution	4,060	2,046

Fund	Number of Shares 31 December 2020	31 December 2019
China Stars Fund		
Class I Euro Accumulation	116	116
Class I Sterling Accumulation	130	130
Class I US Dollar Accumulation	100	100
Class R Euro Accumulation	116	116
Class R Sterling Accumulation	130	130
Class R US Dollar Accumulation	100	100
Class S Euro Accumulation	404	116
Class S Sterling Accumulation	1,736	3,343
Class S US Dollar Accumulation	601,196	601,196
Emerging Market Stars Fund		
Class I Euro Accumulation	12	12
Class I Sterling Accumulation	13	13
Class I US Dollar Accumulation	10	10
Class R Euro Accumulation	12	12
Class R Sterling Accumulation	13	13
Class R US Dollar Accumulation	10	10
Class S Euro Accumulation	12	12
Class S Sterling Accumulation	32,035	3,476
Class S US Dollar Accumulation	21,867	1,000,000
Class S US Dollar Distribution*	100	–
Class SX Euro Accumulation*	100	–
Class SX Sterling Accumulation*	100	–
Class SX US Dollar Accumulation*	100	–
Class X US Dollar Accumulation	100	100
Class X Euro Accumulation	113	113
Class X Swedish Krona Accumulation	11	11
Emerging Markets Income Fund		
Class S Euro Accumulation	13	13
Class S Euro Distribution	19	18
Class S Sterling Accumulation	103,402	56,581
Class S US Dollar Accumulation	10	10

* New Share Classes launched during the financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

8. Related Party Transactions continued

	Number of Shares	
Fund	**31 December 2020**	**31 December 2019**
European ex UK Income Fund		
Class I Euro Accumulation	103	103
Class I Sterling Distribution	173	166
Class I Sterling Hedged Accumulation	100	100
Class I Sterling Hedged Distribution	123	118
Class S Sterling Accumulation	28,054	48,779
Class S Sterling Hedged Accumulation	100	100
Class S Sterling Hedged Distribution	123	118
Class X Sterling Accumulation	100	100
Class X Sterling Distribution	105	101
Financial Opportunities Fund		
Class I Euro Accumulation	11	11
Class I Euro Distribution	6	6
Class I US Dollar Accumulation	5	5
Class I US Dollar Distribution	6	6
Class R Euro Accumulation	10	10
Class R Euro Distribution	6	6
Class R Sterling Accumulation	17	17
Class R US Dollar Accumulation	11	11
Class R US Dollar Distribution	9	8
Class S Sterling Distribution*	13	–
Class S US Dollar Distribution*	10	–
Global Absolute Return Fund		
Class I Hedged Euro Accumulation	10	10
Class I Hedged Sterling Accumulation	10	10
Class I US Dollar Accumulation	10	10
Class S Hedged Euro Accumulation	10	10
Class S Hedged Sterling Accumulation	99,689	88,472
Class S US Dollar Accumulation	48,577	30,304

* New Share Classes launched during the financial year.

Fund	Number of Shares 31 December 2020	31 December 2019
Global Convertible Fund		
Class I Hedged Euro Accumulation	100	100
Class I Hedged Swiss Franc Accumulation	50	50
Class Portfolio Currency Hedged Euro I Accumulation	20,500	20,500
Class Portfolio Currency Hedged Sterling I Distribution	1,161	1,116
Class Portfolio Currency Hedged Sterling S Distribution	104	100
Class R Euro Distribution	174	168
Class R Sterling Accumulation	155	155
Class R Sterling Distribution	205	197
Class R US Dollar Accumulation	100	100
Class R US Dollar Distribution	132	127
Class S Euro Accumulation	137	137
Class S Euro Distribution	178	171
Class S Hedged Sterling Accumulation	36,469	19,955
Class S Hedged Sterling Distribution	128	123
Class S Hedged Swiss Franc Accumulation	50	50
Class S US Dollar Accumulation	100	100
Class S US Dollar Distribution	130	124
Class SI Sterling Accumulation	100	100
Global Insurance Fund		
Class F Sterling Accumulation	1,064	–
Class I Euro Distribution	52	51
Class I Hedged Euro Accumulation	100	100
Class I Hedged US Dollar Accumulation	100	100
Class I Sterling Accumulation	126,154	87,186
Class R Euro Distribution	52	51
Class R US Dollar Distribution	36	36
Global Technology Fund		
Class I Euro Accumulation	11	–
Class I Euro Distribution	44	–
Class I Hedged Euro Distribution	100	100
Class I Hedged Sterling Distribution	1,127	934
Class I Hedged Swiss Franc Distribution	100	100
Class I Sterling Distribution	21,086	6,552
Class R Euro Accumulation	11	–
Class R Hedged Euro Accumulation	100	100
Class R Hedged Swiss Franc Distribution	100	100

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

8. Related Party Transactions continued

	Number of Shares	
Fund	**31 December 2020**	**31 December 2019**
Healthcare Blue Chip Fund		
Class I Euro Accumulation	65	65
Class I Euro Distribution	68	68
Class I US Dollar Distribution	53	52
Class S Sterling Accumulation	–	4,106
Class S Sterling Hedged Distribution	102	102
Class S US Dollar Accumulation	8	8
Class S US Dollar Distribution	53	52
Class SI Sterling Distribution	144	143
Class SI US Dollar Distribution	102	101
Healthcare Discovery Fund*		
Class I Sterling Accumulation	100	–
Class I US Dollar Accumulation	132	–
Class S Sterling Accumulation	1,556	–
Class S US Dollar Accumulation	206,760	–
Healthcare Opportunities Fund		
Class I Euro Accumulation	100	100
Class I Euro Hedged Accumulation**	100	–
Class I Sterling Distribution	17,763	17,178
Class I US Dollar Distribution	343	514
Class I US Dollar Accumulation**	23	–
Class R Euro Accumulation**	26	–
Class R US Dollar Accumulation**	24	–
Income Opportunities Fund		
Class B2 Sterling Accumulation	183,462	249,114
Class I Euro Accumulation	414	414
Class I Euro Distribution	714	679
Class I Euro Hedged Accumulation	100	100
Class I Euro Hedged Distribution	123	117
Class I US Dollar Accumulation	371	371
Class I US Dollar Distribution	641	609
Class R Euro Accumulation	424	424
Class R Euro Distribution	743	706
Class R Euro Hedged Accumulation	100	100
Class R Euro Hedged Distribution	123	117

* Healthcare Discovery Fund launched on 31 January 2020.

** New Share Classes launched during the financial year.

Fund	Number of Shares 31 December 2020	31 December 2019
Income Opportunities Fund continued		
Class R US Dollar Accumulation	381	381
Class R US Dollar Distribution	667	634
Class R US Dollar Hedged Accumulation	100	100
Class R US Dollar Hedged Distribution	115	110
Class Z Sterling Accumulation*	–	100
Class Z Sterling Distribution*	–	100
Japan Value Fund		
Class I Euro Distribution	1,038	1,038
Class I Hedged Euro Distribution	100	100
Class I Hedged Sterling Distribution	100	100
Class I Hedged Swiss Franc Distribution	100	100
Class I Hedged US Dollar Distribution	100	100
Class I Japanese Yen Distribution	1,415	1,415
Class I Sterling Distribution	1,168	1,168
Class I US Dollar Distribution	846	846
Class R Euro Distribution	509	509
Class R Hedged Sterling Distribution	1,288	1,288
Class R Hedged Swiss Franc Distribution	100	100
Class R Hedged US Dollar Distribution	38	38
Class R Japanese Yen Distribution	120	120
Class R Sterling Distribution	575	575
Class R US Dollar Distribution	80	80
Class S Euro Distribution	960	960
Class S Hedged Euro Distribution	4,668	4,668
Class S Hedged Swiss Franc Distribution	100	100
Class S Hedged US Dollar Distribution	3,021	3,021
Class S Japanese Yen Distribution	364	364
Class S Sterling Distribution	667	667
Class S US Dollar Distribution	825	825
North American Fund		
Class I Hedged Swiss Franc Distribution	100	100
Class R Hedged Euro Distribution	100	100
Class S Euro Distribution	14	14
Class S Hedged Euro Distribution	100	16,229
Class S Hedged Sterling Distribution	12,919	7,830
Class S Sterling Distribution	32,383	15,068
Class S US Dollar Distribution	1,732	695

* Share Classes terminated during the financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

8. Related Party Transactions continued

Fund	Number of Shares 31 December 2020	Number of Shares 31 December 2019
UK Absolute Equity Fund*		
Class I Euro Distribution	–	8
Class I Hedged Euro Distribution	–	39
Class I Hedged US Dollar Distribution	–	31
Class I US Dollar Distribution	–	6
Class R Euro Distribution	–	8
Class R Hedged US Dollar Distribution	–	31
Class R US Dollar Distribution	–	6
Class S Euro Distribution	–	8
Class S Hedged Euro Distribution	–	39
Class S Hedged US Dollar Distribution	–	31
Class S Sterling Distribution	–	50,197
Class S US Dollar Distribution	–	6
UK Value Opportunities Fund		
Class I Sterling Accumulation	100	2,812
Class I Sterling Distribution	105	103
Class R Sterling Accumulation	100	100
Class S Sterling Accumulation	82,938	69,793
Class S Sterling Distribution	105	103
Class Z Sterling Accumulation	100	100
Class Z Sterling Distribution**	–	100

* UK Absolute Equity Fund terminated on 15 May 2020.

** Share Class terminated during the financial year.

Partners, managers, employees and associated persons of the Investment Manager are the holders of the below shares in the Company. Individual ownership of such persons is not considered to be material.

	Number of Shares	
Fund	**31 December 2020**	**31 December 2019**
Asian Opportunities Fund	254	5,961
Asian Stars Fund	23,944	21,459
Automation & Artificial Intelligence Fund	147,728	253,327
Biotechnology Fund	52,317	60,591
China Stars Fund	20,393	16,471
Emerging Markets Income Fund	34,859	113,106
Emerging Market Stars Fund	19,681	27,015
European ex UK Income Fund	83,858	163,051
Financial Opportunities Fund	11,385	13,246
Global Absolute Return Fund	4,827	42,400
Global Convertible Fund	74,190	178,711
Global Insurance Fund	262,294	266,871
Global Technology Fund	42,702	40,935
Healthcare Blue Chip Fund	15,212	11,105
Healthcare Discovery Fund	2,272	–
Healthcare Opportunities Fund	23,385	38,884
Income Opportunities Fund	304,236	611,572
Japan Value Fund	854,010	1,000,105
North American Fund	63,763	92,694
UK Absolute Equity Fund	–	400,902
UK Value Opportunities Fund	333,784	602,906

UK Absolute Equity Fund terminated 15 May 2020.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds

On incorporation, the authorised share capital of the Company was US$40,000 divided into 40,000 Subscriber Shares with a par value of US$1 each and 500,000,000,000 redeemable participating shares of no par value. There are 7 Subscriber Shares currently in issue which are held by the Investment Manager and nominees of the Investment Manager. These subscriber shares do not participate in any of the Company's Funds and are not included as part of the net asset value of the Company. The Directors consider this treatment is appropriate, given the nature of the Company as an investment Fund.

Number of redeemable participating shares outstanding and net asset value per redeemable participating share

	31 December 2020		31 December 2019	
Asian Opportunities Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class A US Dollar Distribution	15,298	$456.12	68,324	$407.25
Class I Euro Distribution	2,811	€13.07	4,311	€12.60
Class I Euro Hedged Distribution	6,331	€14.50	29,482	€13.05
Class I Sterling Distribution	12,853	£11.75	46,751	£10.71
Class I Sterling Hedged Distribution	12,501	£14.87	24,847	£13.46
Class I US Dollar Distribution	48,442	$16.04	7,763	$14.14

	31 December 2020		31 December 2019	
Asian Stars Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Accumulation	3,714	€14.81	114	€11.28
Class I Sterling Accumulation	75,245	£13.26	194	£9.56
Class I US Dollar Accumulation	98,463	$18.12	21,559	$12.66
Class R Euro Accumulation	114	€14.69	114	€11.22
Class R Sterling Accumulation	127	£13.15	127	£9.51
Class R US Dollar Accumulation	100	$17.97	100	$12.59
Class S Euro Accumulation	114	€14.91	114	€11.30
Class S Sterling Accumulation	127	£13.35	127	£9.58
Class S US Dollar Accumulation	779,575	$18.24	545,500	$12.69

	31 December 2020		31 December 2019	
Automation & Artificial Intelligence Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Accumulation	1,165,702	€14.58	859,389	€11.43
Class I Sterling Accumulation	6,693,034	£13.05	3,408,040	£9.69
Class I US Dollar Accumulation	3,962,109	$17.84	2,346,334	$12.83
Class R Euro Accumulation	1,204,496	€14.38	124,147	€11.33
Class R US Dollar Accumulation	1,648,545	$17.60	1,406,456	$12.72
Class S Euro Accumulation	86,228	€14.66	171,370	€11.49
Class S Sterling Accumulation	11,988,718	£13.12	24,429,922	£9.73
Class S US Dollar Accumulation	921,951	$17.94	882,223	$12.90
Class Z Sterling Accumulation	11,245,919	£16.86	100	£12.12

	31 December 2020		31 December 2019	
Biotechnology Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Distribution	3,599,872	€32.09	2,583,323	€24.84
Class I Sterling Distribution	5,403,245	£28.73	4,000,444	£21.05
Class I Sterling Hedged Distribution	457,537	£16.06	415,756	£11.66
Class I US Dollar Distribution	10,119,427	$39.27	5,629,838	$27.88
Class R Euro Distribution	4,066,324	€31.04	2,046,288	€24.13
Class R Sterling Distribution	230,876	£27.78	175,817	£20.45
Class R US Dollar Distribution	8,549,659	$37.98	5,078,521	$27.09
Class S Euro Distribution	13,050	€32.62	10,033	€25.20
Class S Sterling Distribution	11,692	£29.19	4,971	£21.35
Class S US Dollar Distribution	164,766	$39.91	17,006	$28.29

	31 December 2020		31 December 2019	
China Stars Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Accumulation	11,409	€13.47	116	€10.12
Class I Sterling Accumulation	136,523	£12.06	10,867	£8.58
Class I US Dollar Accumulation	35,461	$16.49	100	$11.36
Class R Euro Accumulation	8,465	€13.36	116	€10.06
Class R Sterling Accumulation	130	£11.96	130	£8.52
Class R US Dollar Accumulation	36,215	$16.35	21,137	$11.29
Class S Euro Accumulation	404	€13.53	116	€10.18
Class S Sterling Accumulation	15,452	£12.11	15,309	£8.63
Class S US Dollar Accumulation	601,196	$16.56	601,196	$11.43

	31 December 2020		31 December 2019	
Emerging Markets Income Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Accumulation	1,655	€10.89	31,587	€11.84
Class I Euro Distribution	13,298	€7.30	159,432	€8.33
Class I Sterling Accumulation	167,122	£9.75	168,940	£10.03
Class I Sterling Distribution	2,702,942	£6.53	5,064,203	£7.06
Class I US Dollar Accumulation	147,774	$13.33	354,270	$13.29
Class I US Dollar Distribution	38,469	$8.93	53,461	$9.36
Class R Euro Accumulation	45,420	€10.37	60,430	€11.33
Class R Euro Distribution	11,850	€6.98	10,450	€8.02
Class R Sterling Accumulation	3,821	£9.29	8,938	£9.60
Class R Sterling Distribution	25,060	£6.25	36,127	£6.80
Class R US Dollar Accumulation	432,793	$12.69	720,746	$12.72
Class R US Dollar Distribution	184,145	$8.55	244,634	$9.00
Class S Euro Accumulation	13	€10.75	13	€11.67
Class S Euro Distribution	19	€7.54	18	€8.59
Class S Sterling Accumulation	235,423	£9.62	211,092	£9.89
Class S Sterling Distribution	6,561,991	£6.75	7,747,749	£7.28
Class S US Dollar Accumulation	10	$13.15	10	$13.10
Class S US Dollar Distribution	430,329	$9.22	113,514	$9.64

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Number of redeemable participating shares outstanding and net asset value per redeemable participating share continued

	31 December 2020		31 December 2019	
Emerging Market Stars Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Accumulation	1,732,431	€12.37	383,062	€9.77
Class I Sterling Accumulation	628,642	£11.07	229,560	£8.28
Class I US Dollar Accumulation	514,862	$15.13	72,935	$10.97
Class R Euro Accumulation	19,841	€12.23	252	€9.70
Class R Sterling Accumulation	13	£10.95	13	£8.22
Class R US Dollar Accumulation	3,124	$14.97	10	$10.89
Class S Euro Accumulation	4,728,009	€12.47	545,799	€9.82
Class S Sterling Accumulation	3,708,371	£11.16	497,505	£8.32
Class S US Dollar Accumulation	6,846,289	$15.25	2,175,639	$11.02
Class S US Dollar Distribution*	1,431,129	$15.48	N/A	N/A
Class SX Euro Accumulation*	100	€15.73	N/A	N/A
Class SX Sterling Accumulation*	1,583,599	£13.67	N/A	N/A
Class SX US Dollar Accumulation*	430,024	$17.55	N/A	N/A
Class X Swedish Krona Accumulation	40,917	SEK 133.81	11	SEK 108.99
Class X Euro Accumulation	184,286	€13.32	113	€10.37
Class X US Dollar Accumulation	1,883,479	$16.29	100	$11.64

	31 December 2020		31 December 2019	
European ex UK Income Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Accumulation	47,310	€11.50	26,524	€12.91
Class I Sterling Accumulation	2,450,462	£10.22	2,560,255	£10.86
Class I Sterling Distribution	362,527	£8.37	398,550	£9.27
Class I Sterling Hedged Accumulation	2,500	£11.78	7,545	£13.28
Class I Sterling Hedged Distribution	8,959	£9.56	22,537	£11.23
Class S Sterling Accumulation	758,892	£10.31	107,881	£10.96
Class S Sterling Distribution	3,563,707	£8.43	1,070,077	£9.34
Class S Sterling Hedged Accumulation	100	£11.83	100	£13.33
Class S Sterling Hedged Distribution	3,484,880	£9.60	10,712,050	£11.28
Class X Sterling Accumulation	100	£9.95	100	£10.66
Class X Sterling Distribution	7,509,538	£9.44	6,129,833	£10.58

* New Share Classes launched during the financial year.

Financial Opportunities Fund	31 December 2020		31 December 2019	
	Number of shares	NAV/Share	Number of shares	NAV/Share
Class I Euro Accumulation	2,112	€12.01	2,112	€13.45
Class I Euro Distribution	88,378	€11.27	85,579	€12.90
Class I Sterling Accumulation	77,832	£10.75	604,814	£11.40
Class I Sterling Distribution	325,408	£10.09	262,699	£10.93
Class I US Dollar Accumulation	5	$14.70	5	$15.10
Class I US Dollar Distribution	8,715	$13.79	276,703	$14.48
Class R Euro Accumulation	10,407	€11.58	8,101	€13.04
Class R Euro Distribution	6	€10.78	14	€12.40
Class R Sterling Accumulation	395	£10.37	2,495	£11.05
Class R Sterling Distribution	8,073	£9.65	6,472	£10.51
Class R US Dollar Accumulation	13,982	$14.17	23,161	$14.63
Class R US Dollar Distribution	9	$13.19	8	$13.92
Class S Sterling Distribution*	13	£9.18	N/A	N/A
Class S US Dollar Distribution*	266,814	$12.54	N/A	N/A

Global Absolute Return Fund	31 December 2020		31 December 2019	
	Number of shares	NAV/Share	Number of shares	NAV/Share
Class I Hedged Euro Accumulation	2,222	€119.49	1,375	€99.83
Class I Hedged Sterling Accumulation	28,224	£121.75	8,376	£101.18
Class I US Dollar Accumulation	7,356	$125.46	30,071	$102.29
Class S Hedged Euro Accumulation	26,394	€120.10	38,774	€100.13
Class S Hedged Sterling Accumulation	181,321	£122.20	241,877	£101.35
Class S US Dollar Accumulation	55,229	$126.06	41,235	$102.57

Global Convertible Fund	31 December 2020		31 December 2019	
	Number of shares	NAV/Share	Number of shares	NAV/Share
Class I Euro Accumulation	423,853	€14.23	4,232,214	€12.13
Class I Euro Distribution	220,828	€10.70	212,910	€9.51
Class I Hedged Euro Accumulation	97,770	€13.18	21,020	€10.56
Class I Hedged Sterling Accumulation	987,149	£13.77	1,325,588	£11.03
Class I Hedged Sterling Distribution	2,684,202	£10.72	2,497,756	£8.95
Class I Hedged Swiss Franc Accumulation	687,350	Sfr. 12.70	655,050	Sfr. 10.19
Class I Sterling Accumulation	1,709,492	£12.73	1,699,055	£10.26
Class I Sterling Distribution	16,908,917	£9.58	16,603,780	£8.05
Class I US Dollar Accumulation	250,487	$17.41	600,288	$13.61
Class I US Dollar Distribution	315,516	$13.09	296,096	$10.67
Class Portfolio Currency Hedged Euro I Accumulation	2,604,686	€13.83	310,074	€11.18
Class Portfolio Currency Hedged Sterling I Distribution	5,693,940	£12.04	10,904,454	£10.26

* New Share Classes launched during the financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Number of redeemable participating shares outstanding and net asset value per redeemable participating share continued

	31 December 2020		31 December 2019	
Global Convertible Fund continued	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class R Euro Accumulation	56,920	€13.79	53,204	€11.82
Class R Euro Distribution	154,760	€10.34	121,793	€9.24
Class R Sterling Accumulation	17,450	£12.35	20,209	£10.00
Class R Sterling Distribution	11,134	£9.26	197	£7.82
Class R US Dollar Accumulation	100	$16.88	101	$13.27
Class R US Dollar Distribution	79,412	$12.66	105,352	$10.37
Class S Euro Accumulation	8,270	€12.52	11,090	€10.64
Class S Euro Distribution	178	€9.65	175	€8.54
Class S Hedged Sterling Accumulation	69,516	£14.05	138,670	£11.22
Class S Hedged Sterling Distribution	250,444	£10.92	374,780	£9.09
Class S Hedged Swiss Franc Accumulation	50	Sfr. 12.93	50	Sfr. 10.34
Class S Sterling Accumulation	192,445	£11.21	213,441	£9.01
Class S Sterling Distribution	28,803,200	£8.64	36,994,942	£7.23
Class S US Dollar Accumulation	48,251	$15.32	41,845	$11.94
Class S US Dollar Distribution	257,825	$11.81	347,107	$9.59
Class SI Sterling Accumulation	5,329,419	£12.88	3,906,425	£10.36
Class Portfolio Currency Hedged Sterling S Distribution	7,285,765	£12.11	1,008,297	£10.23

	31 December 2020		31 December 2019	
Global Insurance Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class A Sterling Distribution	269,148	£5.27	382,738	£5.73
Class B Sterling Accumulation	1,370,374	£6.92	1,536,138	£7.38
Class E Sterling Distribution	97,052,757	£5.54	57,103,569	£5.98
Class F Sterling Accumulation	26,963,629	£7.33	25,326,475	£7.78
Class I Euro Accumulation	7,293,177	€7.95	9,518,410	€8.89
Class I Euro Distribution	1,608,411	€6.05	1,481,517	€6.90
Class I Hedged Euro Accumulation	1,061,608	€13.60	1,430,473	€14.46
Class I Hedged US Dollar Accumulation	130,857	$14.67	164,496	$15.50
Class I Sterling Accumulation	41,399,020	£7.11	45,653,951	£7.53
Class I Sterling Distribution	35,407,787	£5.42	33,988,282	£5.84
Class I US Dollar Accumulation	26,197,610	$9.72	33,450,101	$9.98
Class I US Dollar Distribution	2,604,962	$7.41	2,257,854	$7.74
Class R Euro Accumulation	719,574	€7.52	1,147,102	€8.46
Class R Euro Distribution	339,185	€5.78	151,502	€6.61
Class R Sterling Accumulation	815,846	£6.73	1,053,611	£7.17
Class R Sterling Distribution	3,297,184	£5.17	3,795,475	£5.60
Class R US Dollar Accumulation	7,476,972	$9.20	7,573,840	$9.49
Class R US Dollar Distribution	183,594	$7.07	135,128	$7.42

Global Technology Fund	31 December 2020		31 December 2019	
	Number of shares	NAV/Share	Number of shares	NAV/Share
Class A Euro Distribution	271,890	€77.26	106,380	€53.41
Class A Sterling Distribution	365,726	£69.15	295,473	£45.25
Class A US Dollar Distribution	1,023,143	$94.53	965,212	$59.95
Class I Euro Accumulation*	272,197	€11.94	N/A	N/A
Class I Euro Distribution	7,149,606	€71.61	2,671,754	€49.05
Class I Hedged Euro Distribution	6,259,752	€24.46	3,876,323	€15.72
Class I Hedged Sterling Distribution	5,092,563	£35.35	4,180,751	£22.72
Class I Hedged Swiss Franc Distribution	2,856,470	Sfr. 35.35	1,491,905	Sfr. 22.80
Class I Sterling Distribution	29,653,115	£64.09	25,584,904	£41.56
Class I US Dollar Distribution	25,459,261	$87.61	15,840,266	$55.06
Class R Euro Accumulation*	74,455	€11.93	N/A	N/A
Class R Euro Distribution	5,861,555	€67.97	3,277,861	€46.72
Class R Hedged Euro Accumulation	8,748,425	€24.05	3,392,598	€15.51
Class R Hedged Euro Distribution	3,104,523	€35.50	2,456,570	€22.92
Class R Hedged Swiss Franc Distribution	901,548	Sfr. 34.54	498,135	Sfr. 22.34
Class R Sterling Distribution	687,340	£60.84	511,870	£39.58
Class R US Dollar Distribution	18,263,544	$83.17	11,033,055	$52.44

Healthcare Blue Chip Fund	31 December 2020		31 December 2019	
	Number of shares	NAV/Share	Number of shares	NAV/Share
Class I Euro Accumulation	18,456	€13.11	642	€13.25
Class I Euro Distribution	41,397	€12.40	36,664	€12.65
Class I Sterling Accumulation	946,210	£11.73	852,280	£11.23
Class I Sterling Distribution	195,379	£11.10	504,477	£10.72
Class I US Dollar Accumulation	116,951	$16.04	118,810	$14.87
Class I US Dollar Distribution	3,736	$15.17	1,601	$14.20
Class S Sterling Accumulation	244,263	£11.83	463,504	£11.31
Class S Sterling Distribution	52,230	£11.20	50,872	£10.80
Class S Sterling Hedged Distribution	102	£14.37	102	£13.66
Class S US Dollar Accumulation	8	$16.18	8	$14.98
Class S US Dollar Distribution	53	$15.31	52	$14.31
Class SI Sterling Distribution	4,882,220	£9.91	4,949,587	£9.53
Class SI US Dollar Distribution	11,828	$13.54	8,722	$12.63

* Share Classes launched during the financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Number of redeemable participating shares outstanding and net asset value per redeemable participating share continued

	31 December 2020		31 December 2019	
Healthcare Discovery Fund*	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Sterling Accumulation	113,274	£11.01	N/A	N/A
Class I US Dollar Accumulation	88,700	$15.05	N/A	N/A
Class S Sterling Accumulation	2,210,967	£11.03	N/A	N/A
Class S US Dollar Accumulation	800,940	$15.08	N/A	N/A

	31 December 2020		31 December 2019	
Healthcare Opportunities Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class A Euro Distribution	189,856	€34.74	181,293	€32.05
Class A Sterling Distribution	94,007	£31.10	107,151	£27.15
Class A US Dollar Distribution	207,039	$42.51	247,338	$35.97
Class I Euro Distribution	3,739,430	€52.78	3,167,417	€48.45
Class I Euro Accumulation	2,574,884	€12.61	104,051	€11.57
Class I Euro Hedged Accumulation**	188,568	€14.22	N/A	N/A
Class I Sterling Distribution	20,427,500	£47.24	19,837,720	£41.05
Class I US Dollar Distribution	3,671,756	$64.58	3,232,707	$54.39
Class I US Dollar Accumulation**	577,388	$63.66	N/A	N/A
Class R Euro Distribution	1,336,367	€49.91	1,297,208	€46.03
Class R Euro Accumulation**	17,572	€49.12	N/A	N/A
Class R Sterling Distribution	309,617	£44.68	296,584	£39.01
Class R US Dollar Distribution	1,948,088	$61.07	1,911,073	$51.67
Class R US Dollar Accumulation**	92,655	$60.11	N/A	N/A

	31 December 2020		31 December 2019	
Income Opportunities Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class A1 Sterling Distribution	4,548,293	£1.27	5,301,711	£1.39
Class A2 Sterling Accumulation	1,019,563	£2.22	1,846,194	£2.31
Class B1 Sterling Distribution	5,329,699	£1.34	17,189,899	£1.47
Class B2 Sterling Accumulation	7,629,593	£2.33	35,025,951	£2.41
Class I Euro Accumulation	414	€2.60	414	€2.84
Class I Euro Distribution	714	€1.50	679	€1.73
Class I Euro Hedged Accumulation	15,305	€13.38	16,905	€13.89
Class I Euro Hedged Distribution	923	€10.81	4,917	€11.84
Class I US Dollar Accumulation	371	$3.18	371	$3.19
Class I US Dollar Distribution	309,795	$1.83	559,077	$1.94
Class R Euro Accumulation	40,250	€2.48	165,095	€2.73
Class R Euro Distribution	439,628	€1.41	487,241	€1.64
Class R Euro Hedged Accumulation	137,104	€13.09	200,389	€13.66
Class R Euro Hedged Distribution	150,328	€10.60	293,444	€11.65

* Healthcare Discovery Fund launched on 31 January 2020.

** Share Classes launched during the financial year.

Income Opportunities Fund continued	31 December 2020		31 December 2019	
	Number of shares	NAV/Share	Number of shares	NAV/Share
Class R US Dollar Accumulation	264,433	$3.04	677,208	$3.06
Class R US Dollar Distribution	1,602,402	$1.73	1,953,434	$1.84
Class R US Dollar Hedged Accumulation	1,340,957	$11.39	2,103,222	$11.65
Class R US Dollar Hedged Distribution	1,215,267	$9.72	1,622,673	$10.47
Class Z Sterling Accumulation*	–	–	100	£11.13
Class Z Sterling Distribution*	–	–	100	£11.13

Japan Value Fund	31 December 2020		31 December 2019	
	Number of shares	NAV/Share	Number of shares	NAV/Share
Class I Euro Distribution	1,038	€0.89	1,820,909	€1.05
Class I Hedged Swiss Franc Distribution	100	Sfr. 9.57	100	Sfr. 11.09
Class I Hedged Euro Distribution	100	€8.36	100	€9.70
Class I Hedged Sterling Distribution	100	£8.57	100	£9.88
Class I Hedged US Dollar Distribution	31,684	$8.96	889	$10.23
Class I Japanese Yen Distribution	3,598,071	¥112.12	1,415	¥128.25
Class I Sterling Distribution	96,846	£0.80	40,561	£0.90
Class I US Dollar Distribution	3,833	$1.09	94,846	$1.17
Class R Hedged Swiss Franc Distribution	230,196	Sfr. 9.54	388,692	Sfr. 11.09
Class R Hedged Euro Distribution	3,092,775	€1.99	5,992,536	¥2.32
Class R Hedged Sterling Distribution	2,249,721	£1.65	2,088,258	£1.91
Class R Hedged US Dollar Distribution	9,302,596	$2.84	17,591,798	$3.25
Class R Euro Distribution	166,226	€1.80	313,503	€2.14
Class R Sterling Distribution	4,469	£1.63	6,409	£1.83
Class R Japanese Yen Distribution	5,256,088	¥227.72	7,629,856	¥261.40
Class R US Dollar Distribution	318,943	$2.20	530,966	$2.39
Class S Hedged Swiss Franc Distribution	221,084	Sfr. 9.62	429,668	Sfr. 11.11
Class S Hedged Euro Distribution	2,236,158	€2.09	7,972,766	€2.41
Class S Hedged Sterling Distribution	7,951,303	£1.73	14,381,885	£1.99
Class S Hedged US Dollar Distribution	5,613,345	$2.99	14,639,192	$3.40
Class S Euro Distribution	164,902	€1.89	864,406	€2.23
Class S Japanese Yen Distribution	9,112,220	¥239.03	39,970,679	¥272.32
Class S Sterling Distribution	16,046,594	£1.71	14,824,616	£1.91
Class S US Dollar Distribution	5,682,635	$2.31	6,570,534	$2.49

* Share Class terminated during the financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Number of redeemable participating shares outstanding and net asset value per redeemable participating share continued

	31 December 2020		31 December 2019	
North American Fund	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Distribution	10,580	€25.66	6,585,741	€24.29
Class I Hedged Euro Distribution	1,609,896	€27.58	5,177,121	€24.60
Class I Hedged Sterling Distribution	922,476	£28.63	3,118,282	£25.75
Class I Hedged Swiss Franc Distribution	148,941	Sfr. 15.38	182,277	Sfr. 13.74
Class I Sterling Distribution	5,391,976	£22.96	12,089,122	£20.58
Class I US Dollar Distribution	10,647,266	$31.39	18,747,933	$27.26
Class R Euro Distribution	70,297	€24.36	80,801	€23.20
Class R Hedged Euro Distribution	170,773	€26.15	387,037	€23.46
Class R Hedged Sterling Distribution	47,750	£27.24	50,589	£24.66
Class R Sterling Distribution	20,500	£21.80	20,068	£19.66
Class R US Dollar Distribution	1,391,788	$29.81	1,862,621	$26.04
Class S Euro Distribution	38,982	€25.96	46,044	€24.56
Class S Hedged Euro Distribution	195,250	€27.95	28,245	€24.91
Class S Hedged Sterling Distribution	796,893	£28.99	1,844,888	£26.07
Class S Sterling Distribution	8,543,177	£23.23	20,218,567	£20.81
Class S US Dollar Distribution	3,024,799	$31.76	4,137,935	$27.57

	31 December 2020		31 December 2019	
UK Absolute Equity Fund*	**Number of shares**	**NAV/Share**	**Number of shares**	**NAV/Share**
Class I Euro Distribution	–	–	65,463	€25.99
Class I Hedged Euro Distribution	–	–	8,750,989	€27.25
Class I Hedged US Dollar Distribution	–	–	1,113,039	$36.76
Class I Sterling Distribution	–	–	7,584,754	£22.09
Class I US Dollar Distribution	–	–	640,771	$29.18
Class R Euro Distribution	–	–	34,239	€25.50
Class R Hedged Euro Distribution	–	–	1,140,720	€26.68
Class R Hedged US Dollar Distribution	–	–	40,278	$35.94
Class R Sterling Distribution	–	–	115,902	£21.67
Class R US Dollar Distribution	–	–	8,829	$28.63
Class S Euro Distribution	–	–	32,717	€26.31
Class S Hedged Euro Distribution	–	–	40,979	€27.64
Class S Hedged US Dollar Distribution	–	–	74,323	$37.12
Class S Sterling Distribution	–	–	2,614,967	£22.36
Class S US Dollar Distribution	–	–	6	$29.53

* UK Absolute Equity Fund terminated on 15 May 2020.

UK Value Opportunities Fund	31 December 2020		31 December 2019	
	Number of shares	NAV/Share	Number of shares	NAV/Share
Class I Sterling Accumulation	13,925,084	£12.19	12,356,996	£13.21
Class I Sterling Distribution	7,058,208	£11.59	5,426,362	£12.82
Class R Sterling Accumulation	271,055	£10.23	234,149	£11.13
Class S Sterling Accumulation	14,835,024	£12.25	29,013,541	£13.25
Class S Sterling Distribution	50,376,830	£11.61	50,791,709	£12.84
Class Z Sterling Accumulation	12,058,964	£10.97	100	£11.78
Class Z Sterling Distribution*	–	–	100	£11.78

Movement in redeemable participating shares in issue during the financial year

Asian Opportunities Fund	31 December 2020		
	Shares Number Class A USD Distribution	Shares Number Class I EUR Distribution	Shares Number Class I EUR Hedged Distribution
Shares in issue at 1 January 2020	68,324	4,311	29,482
Shares issued during financial year	420	–	20
Shares redeemed during financial year	(53,446)	(1,500)	(23,171)
Shares in issue at 31 December 2020	15,298	2,811	6,331
Shares in issue at 31 December 2019	68,324	4,311	29,482

Asian Opportunities Fund	31 December 2020		
	Shares Number Class I GBP Distribution	Shares Number Class I GBP Hedged Distribution	Shares Number Class I USD Distribution
Shares in issue at 1 January 2020	46,751	24,847	7,763
Shares issued during financial year	8,379	8,750	42,409
Shares redeemed during financial year	(42,277)	(21,096)	(1,730)
Shares in issue at 31 December 2020	12,853	12,501	48,442
Shares in issue at 31 December 2019	46,751	24,847	7,763

* Share Class terminated during the financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020		
Asian Stars Fund	Shares Number Class I EUR Accumulation	Shares Number Class I GBP Accumulation	Shares Number Class I USD Accumulation
Shares in issue at 1 January 2020	114	194	21,559
Shares issued during financial year	3,600	94,254	76,904
Shares redeemed during financial year	–	(19,203)	–
Shares in issue at 31 December 2020	3,714	75,245	98,463
Shares in issue at 31 December 2019	114	194	21,559

	31 December 2020		
Asian Stars Fund	Shares Number Class R EUR Accumulation	Shares Number Class R GBP Accumulation	Shares Number Class R USD Accumulation
Shares in issue at 1 January 2020	114	127	100
Shares issued during financial year	–	–	–
Shares redeemed during financial year	–	–	–
Shares in issue at 31 December 2020	114	127	100
Shares in issue at 31 December 2019	114	127	100

	31 December 2020		
Asian Stars Fund	Shares Number Class S EUR Accumulation	Shares Number Class S GBP Accumulation	Shares Number Class S USD Accumulation
Shares in issue at 1 January 2020	114	127	545,500
Shares issued during financial year	–	–	237,750
Shares redeemed during financial year	–	–	(3,675)
Shares in issue at 31 December 2020	114	127	779,575
Shares in issue at 31 December 2019	114	127	545,500

Automation & Artificial Intelligence Fund	31 December 2020 Shares Number Class I EUR Accumulation	Shares Number Class I GBP Accumulation	Shares Number Class I USD Accumulation
Shares in issue at 1 January 2020	859,389	3,408,040	2,346,334
Shares issued during financial year	1,053,653	4,382,285	2,263,582
Shares redeemed during financial year	(747,340)	(1,097,291)	(647,807)
Shares in issue at 31 December 2020	1,165,702	6,693,034	3,962,109
Shares in issue at 31 December 2019	859,389	3,408,040	2,346,334

Automation & Artificial Intelligence Fund	31 December 2020 Shares Number Class R EUR Accumulation	Shares Number Class R USD Accumulation	Shares Number Class S EUR Accumulation
Shares in issue at 1 January 2020	124,147	1,406,456	171,370
Shares issued during financial year	1,417,148	532,439	22,053
Shares redeemed during financial year	(336,799)	(290,350)	(107,195)
Shares in issue at 31 December 2020	1,204,496	1,648,545	86,228
Shares in issue at 31 December 2019	124,147	1,406,456	171,370

Automation & Artificial Intelligence Fund	31 December 2020 Shares Number Class S GBP Accumulation	Shares Number Class S USD Accumulation	Shares Number Class Z GBP Accumulation
Shares in issue at 1 January 2020	24,429,922	882,223	100
Shares issued during financial year	4,420,181	174,790	13,249,572
Shares redeemed during financial year	(16,861,386)	(135,062)	(2,003,753)
Shares in issue at 31 December 2020	11,988,717	921,951	11,245,919
Shares in issue at 31 December 2019	24,429,922	882,223	100

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020		
Biotechnology Fund	Shares Number Class I EUR Distribution	Shares Number Class I GBP Distribution	Shares Number Class I GBP Hedged Distribution
Shares in issue at 1 January 2020	2,583,323	4,000,444	415,756
Shares issued during financial year	2,080,522	3,814,636	669,574
Shares redeemed during financial year	(1,063,973)	(2,411,835)	(627,793)
Shares in issue at 31 December 2020	3,599,872	5,403,245	457,537
Shares in issue at 31 December 2019	2,583,323	4,000,444	415,756

	31 December 2020		
Biotechnology Fund	Shares Number Class I USD Distribution	Shares Number Class R EUR Distribution	Shares Number Class R GBP Distribution
Shares in issue at 1 January 2020	5,629,838	2,046,288	175,817
Shares issued during financial year	8,129,480	3,325,245	136,260
Shares redeemed during financial year	(3,639,891)	(1,305,209)	(81,202)
Shares in issue at 31 December 2020	10,119,427	4,066,324	230,876
Shares in issue at 31 December 2019	5,629,838	2,046,288	175,817

	31 December 2020			
Biotechnology Fund	Shares Number Class R USD Distribution	Shares Number Class S EUR Distribution	Shares Number Class S GBP Distribution	Shares Number Class S USD Distribution
Shares in issue at 1 January 2020	5,078,521	10,033	4,971	17,006
Shares issued during financial year	5,194,855	14,123	6,721	147,760
Shares redeemed during financial year	(1,723,718)	(11,106)	–	–
Shares in issue at 31 December 2020	8,549,659	13,050	11,692	164,766
Shares in issue at 31 December 2019	5,078,521	10,033	4,971	17,006

China Stars Fund	31 December 2020 Shares Number Class I EUR Accumulation	Shares Number Class I GBP Accumulation	Shares Number Class I USD Accumulation
Shares in issue at 1 January 2020	116	10,867	100
Shares issued during financial year	11,293	152,175	35,361
Shares redeemed during financial year	–	(26,519)	–
Shares in issue at 31 December 2020	11,409	136,523	35,461
Shares in issue at 31 December 2019	116	10,867	100

China Stars Fund	31 December 2020 Shares Number Class R EUR Accumulation	Shares Number Class R GBP Accumulation	Shares Number Class R USD Accumulation
Shares in issue at 1 January 2020	116	130	21,137
Shares issued during financial year	11,437	–	15,078
Shares redeemed during financial year	(3,088)	–	–
Shares in issue at 31 December 2020	8,465	130	36,215
Shares in issue at 31 December 2019	116	130	21,137

China Stars Fund	31 December 2020 Shares Number Class S EUR Accumulation	Shares Number Class S GBP Accumulation	Shares Number Class S USD Accumulation
Shares in issue at 1 January 2020	116	15,309	601,196
Shares issued during financial year	288	1,750	–
Shares redeemed during financial year	–	(1,607)	–
Shares in issue at 31 December 2020	404	15,452	601,196
Shares in issue at 31 December 2019	116	15,309	601,196

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020		
Emerging Markets Income Fund	Shares Number Class I EUR Accumulation	Shares Number Class I EUR Distribution	Shares Number Class I GBP Accumulation
Shares in issue at 1 January 2020	31,587	159,432	168,940
Shares issued during financial year	768	36,012	34,622
Shares redeemed during financial year	(30,700)	(182,146)	(36,440)
Shares in issue at 31 December 2020	1,655	13,298	167,122
Shares in issue at 31 December 2019	31,587	159,432	168,940

	31 December 2020		
Emerging Markets Income Fund	Shares Number Class I GBP Distribution	Shares Number Class I USD Accumulation	Shares Number Class I USD Distribution
Shares in issue at 1 January 2020	5,064,203	354,270	53,461
Shares issued during financial year	444,586	65,577	3,410
Shares redeemed during financial year	(2,805,847)	(272,073)	(18,402)
Shares in issue at 31 December 2020	2,702,942	147,774	38,469
Shares in issue at 31 December 2019	5,064,203	354,270	53,461

	31 December 2020			
Emerging Markets Income Fund	Shares Number Class R EUR Accumulation	Shares Number Class R EUR Distribution	Shares Number Class R GBP Accumulation	Shares Number Class R GBP Distribution
Shares in issue at 1 January 2020	60,430	10,450	8,938	36,127
Shares issued during financial year	–	1,400	2,158	1,911
Shares redeemed during financial year	(15,010)	–	(7,275)	(12,978)
Shares in issue at 31 December 2020	45,420	11,850	3,821	25,060
Shares in issue at 31 December 2019	60,430	10,450	8,938	36,127

	31 December 2020			
Emerging Markets Income Fund	Shares Number Class R USD Accumulation	Shares Number Class R USD Distribution	Shares Number Class S EUR Accumulation	Shares Number Class S EUR Distribution
Shares in issue at 1 January 2020	720,746	244,634	13	18
Shares issued during financial year	6,050	18,275	–	1
Shares redeemed during financial year	(294,003)	(78,764)	–	–
Shares in issue at 31 December 2020	432,793	184,145	13	19
Shares in issue at 31 December 2019	720,746	244,634	13	18

	31 December 2020			
Emerging Markets Income Fund	Shares Number Class S GBP Accumulation	Shares Number Class S GBP Distribution	Shares Number Class S USD Accumulation	Shares Number Class S USD Distribution
Shares in issue at 1 January 2020	211,092	7,747,749	10	113,514
Shares issued during financial year	72,644	2,237,713	–	405,000
Shares redeemed during financial year	(48,313)	(3,423,471)	–	(88,185)
Shares in issue at 31 December 2020	235,423	6,561,991	10	430,329
Shares in issue at 31 December 2019	211,092	7,747,749	10	113,514

	31 December 2020			
Emerging Market Stars Fund	Shares Number Class I EUR Accumulation	Shares Number Class I GBP Accumulation	Shares Number Class I USD Accumulation	Shares Number Class R EUR Accumulation
Shares in issue at 1 January 2020	168,247	226,627	5,660	252
Shares issued during financial year	1,703,426	523,771	509,202	20,394
Shares redeemed during financial year	(139,242)	(121,756)	–	(805)
Shares in issue at 31 December 2020	1,732,431	628,642	514,862	19,841
Shares in issue at 31 December 2019	168,247	226,627	5,660	252

	31 December 2020			
Emerging Market Stars Fund	Shares Number Class R GBP Accumulation	Shares Number Class R USD Accumulation	Shares Number Class S EUR Accumulation	Shares Number Class S GBP Accumulation
Shares in issue at 1 January 2020	13	10	545,799	495,210
Shares issued during financial year	–	3,114	4,191,361	3,936,842
Shares redeemed during financial year	–	–	(9,151)	(723,681)
Shares in issue at 31 December 2020	13	3,124	4,728,009	3,708,371
Shares in issue at 31 December 2019	13	10	545,799	495,210

	31 December 2020			
Emerging Market Stars Fund	Shares Number Class S USD Accumulation	Shares Number Class S USD Distribution	Shares Number Class SX EUR Accumulation	Shares Number Class SX GBP Accumulation
Shares in issue at 1 January 2020	2,175,639	–	–	–
Shares issued during financial year	5,670,737	1,437,621	100	1,658,716
Shares redeemed during financial year	(1,000,087)	(6,492)	–	(75,117)
Shares in issue at 31 December 2020	6,846,289	1,431,129	100	1,583,599
Shares in issue at 31 December 2019	2,175,639	–	–	–

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020			
Emerging Market Stars Fund	Shares Number Class SX USD Accumulation	Shares Number Class X SEK Accumulation	Shares Number Class X EUR Accumulation	Shares Number Class X USD Accumulation
Shares in issue at 1 January 2020	–	11	113	100
Shares issued during financial year	430,024	57,018	184,585	1,883,507
Shares redeemed during financial year	–	(16,112)	(412)	(127)
Shares in issue at 31 December 2020	430,024	40,917	184,286	1,883,480
Shares in issue at 31 December 2019	–	11	113	100

	31 December 2020		
European ex UK Income Fund	Shares Number Class I EUR Accumulation	Shares Number Class I GBP Accumulation	Shares Number Class I GBP Distribution
Shares in issue at 1 January 2020	26,524	2,560,255	398,550
Shares issued during financial year	29,717	745,552	91,534
Shares redeemed during financial year	(8,931)	(855,345)	(127,557)
Shares in issue at 31 December 2020	47,310	2,450,462	362,527
Shares in issue at 31 December 2019	26,524	2,560,255	398,550

	31 December 2020			
European ex UK Income Fund	Shares Number Class I GBP Hedged Accumulation	Shares Number Class I GBP Hedged Distribution	Shares Number Class S GBP Accumulation	Shares Number Class S GBP Distribution
Shares in issue at 1 January 2020	7,545	22,537	107,881	1,070,077
Shares issued during financial year	247,238	3,912	785,185	2,850,703
Shares redeemed during financial year	(252,283)	(17,490)	(134,174)	(357,073)
Shares in issue at 31 December 2020	2,500	8,959	758,892	3,563,707
Shares in issue at 31 December 2019	7,545	22,537	107,881	1,070,077

European ex UK Income Fund	31 December 2020			
	Shares Number Class S GBP Hedged Accumulation	Shares Number Class S GBP Hedged Distribution	Shares Number Class X GBP Accumulation	Shares Number Class X GBP Distribution
Shares in issue at 1 January 2020	100	10,712,050	100	6,129,833
Shares issued during financial year	–	2,332,756	–	3,345,500
Shares redeemed during financial year	–	(9,559,927)	–	(1,965,795)
Shares in issue at 31 December 2020	100	3,484,880	100	7,509,538
Shares in issue at 31 December 2019	100	10,712,050	100	6,129,833

Financial Opportunities Fund	31 December 2020		
	Shares Number Class I EUR Accumulation	Shares Number Class I EUR Distribution	Shares Number Class I GBP Accumulation
Shares in issue at 1 January 2020	2,112	85,579	604,814
Shares issued during financial year	–	2,799	65,685
Shares redeemed during financial year	–	–	(592,667)
Shares in issue at 31 December 2020	2,112	88,378	77,832
Shares in issue at 31 December 2019	2,112	85,579	604,814

Financial Opportunities Fund	31 December 2020		
	Shares Number Class I GBP Distribution	Shares Number Class I USD Accumulation	Shares Number Class I USD Distribution
Shares in issue at 1 January 2020	262,699	5	276,703
Shares issued during financial year	119,365	–	5,621
Shares redeemed during financial year	(56,656)	–	(273,609)
Shares in issue at 31 December 2020	325,408	5	8,715
Shares in issue at 31 December 2019	262,699	5	276,703

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020			
Financial Opportunities Fund	Shares Number Class R EUR Accumulation	Shares Number Class R EUR Distribution	Shares Number Class R GBP Accumulation	Shares Number Class R GBP Distribution
Shares in issue at 1 January 2020	8,101	14	2,495	6,472
Shares issued during financial year	2,306	–	–	1,938
Shares redeemed during financial year	–	(8)	(2,100)	(337)
Shares in issue at 31 December 2020	10,407	6	395	8,073
Shares in issue at 31 December 2019	8,101	14	2,495	6,472

	31 December 2020			
Financial Opportunities Fund	Shares Number Class R USD Accumulation	Shares Number Class R USD Distribution	Shares Number Class S GBP Distribution	Shares Number Class S USD Distribution
Shares in issue at 1 January 2020	23,161	9	–	–
Shares issued during financial year	–	–	13	293,454
Shares redeemed during financial year	(9,179)	–	–	(26,640)
Shares in issue at 31 December 2020	13,982	9	13	266,814
Shares in issue at 31 December 2019	23,161	9	0	0

	31 December 2020		
Global Absolute Return Fund	Shares Number Class I Hedged Euro Accumulation	Shares Number Class I Hedged Sterling Accumulation	Shares Number Class I US Dollar Accumulation
Shares in issue at 1 January 2020	1,375	8,376	30,071
Shares issued during financial year	1,453	25,603	7,754
Shares redeemed during financial year	(606)	(5,754)	(30,469)
Shares in issue at 31 December 2020	2,222	28,224	7,356
Shares in issue at 31 December 2019	1,375	8,376	30,071

Global Absolute Return Fund	31 December 2020 Shares Number Class S Hedged Euro Accumulation	Shares Number Class S Hedged Sterling Accumulation	Shares Number Class S US Dollar Accumulation
Shares in issue at 1 January 2020	38,774	241,877	41,235
Shares issued during financial year	5,847	31,702	33,501
Shares redeemed during financial year	(18,227)	(92,192)	(19,507)
Shares in issue at 31 December 2020	26,394	181,387	55,229
Shares in issue at 31 December 2019	38,774	241,877	41,235

Global Convertible Fund	31 December 2020 Shares Number Class I EUR Accumulation	Shares Number Class I EUR Distribution	Shares Number Class I EUR Hedged Accumulation
Shares in issue at 1 January 2020	4,232,214	212,910	21,020
Shares issued during financial year	3,853	30,000	78,750
Shares redeemed during financial year	(3,812,214)	(22,082)	(2,000)
Shares in issue at 31 December 2020	423,853	220,828	97,770
Shares in issue at 31 December 2019	4,232,214	212,910	21,020

Global Convertible Fund	31 December 2020 Shares Number Class I GBP Hedged Accumulation	Shares Number Class I Hedged GBP Distribution	Shares Number Class I Hedged CHF Accumulation
Shares in issue at 1 January 2020	1,325,588	2,497,756	655,050
Shares issued during financial year	620,340	1,259,860	32,300
Shares redeemed during financial year	(958,779)	(1,073,414)	–
Shares in issue at 31 December 2020	987,149	2,684,202	687,350
Shares in issue at 31 December 2019	1,325,588	2,497,756	655,050

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020		
Global Convertible Fund	Shares Number Class I GBP Accumulation	Shares Number Class I GBP Distribution	Shares Number Class I USD Accumulation
Shares in issue at 1 January 2020	1,699,055	16,603,780	600,288
Shares issued during financial year	895,376	5,598,030	50,291
Shares redeemed during financial year	(884,939)	(5,292,893)	(400,092)
Shares in issue at 31 December 2020	1,709,492	16,908,917	250,487
Shares in issue at 31 December 2019	1,699,055	16,603,780	600,288

	31 December 2020			
Global Convertible Fund	Shares Number Class I USD Distribution	Shares Number Class Portfolio Currency Hedged EUR I Accumulation	Shares Number Class Portfolio Currency Hedged GBP I Distribution	Shares Number Class R EUR Accumulation
Shares in issue at 1 January 2020	296,096	310,074	10,904,454	53,204
Shares issued during financial year	85,271	2,461,868	1,251,880	4,345
Shares redeemed during financial year	(65,851)	(167,256)	(6,462,394)	(629)
Shares in issue at 31 December 2020	315,516	2,604,686	5,693,940	56,920
Shares in issue at 31 December 2019	296,096	310,074	10,904,454	53,204

	31 December 2020			
Global Convertible Fund	Shares Number Class R EUR Distribution	Shares Number Class R GBP Accumulation	Shares Number Class R GBP Distribution	Shares Number Class R USD Accumulation
Shares in issue at 1 January 2020	121,793	20,209	197	101
Shares issued during financial year	54,961	8,892	10,937	–
Shares redeemed during financial year	(21,994)	(11,651)	–	(1)
Shares in issue at 31 December 2020	154,760	17,450	11,134	100
Shares in issue at 31 December 2019	121,793	20,209	197	101

Global Convertible Fund	31 December 2020			
	Shares Number Class R USD Distribution	Shares Number Class S EUR Accumulation	Shares Number Class S EUR Distribution	Shares Number Class S Hedged GBP Accumulation
Shares in issue at 1 January 2020	105,352	11,090	175	138,670
Shares issued during financial year	29,456	2	8	36,476
Shares redeemed during financial year	(55,396)	(2,822)	(5)	(105,630)
Shares in issue at 31 December 2020	79,412	8,270	178	69,516
Shares in issue at 31 December 2019	105,352	11,090	175	138,670

Global Convertible Fund	31 December 2020			
	Shares Number Class S Hedged GBP Distribution	Shares Number Class S CHF Hedged Accumulation	Shares Number Class S GBP Accumulation	Shares Number Class S GBP Distribution
Shares in issue at 1 January 2020	374,780	50	213,441	36,994,942
Shares issued during financial year	14,946	–	67,459	6,634,854
Shares redeemed during financial year	(139,282)	–	(88,455)	(14,826,596)
Shares in issue at 31 December 2020	250,444	50	192,445	28,803,200
Shares in issue at 31 December 2019	374,780	50	213,441	36,994,942

Global Convertible Fund	31 December 2020			
	Shares Number Class S USD Accumulation	Shares Number Class S USD Distribution	Shares Number Class SI GBP Accumulation	Shares Number Class Portfolio Currency Hedged GBP S Distribution
Shares in issue at 1 January 2020	41,845	347,107	100	–
Shares issued during financial year	14,251	15,880	7,352,001	2,694,352
Shares redeemed during financial year	(7,845)	(105,162)	(1,074,533)	(1,271,358)
Shares in issue at 31 December 2020	48,251	257,825	6,277,568	1,422,994
Shares in issue at 31 December 2019	41,845	347,107	3,906,425	1,008,297

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020		
Global Insurance Fund	Shares Number Class A GBP Distribution	Shares Number Class B GBP Accumulation	Shares Number Class E GBP Distribution
Shares in issue at 1 January 2020	382,738	1,536,138	57,103,569
Shares issued during financial year	479	17,140	56,545,266
Shares redeemed during financial year	(114,069)	(182,904)	(16,596,078)
Shares in issue at 31 December 2020	269,148	1,370,374	97,052,757
Shares in issue at 31 December 2019	382,738	1,536,138	57,103,569

	31 December 2020		
Global Insurance Fund	Shares Number Class F GBP Accumulation	Shares Number Class I EUR Accumulation	Shares Number Class I EUR Distribution
Shares in issue at 1 January 2020	25,326,475	9,518,410	1,481,517
Shares issued during financial year	9,838,363	3,309,648	193,830
Shares redeemed during financial year	(8,201,209)	(5,534,881)	(66,936)
Shares in issue at 31 December 2020	26,963,629	7,293,177	1,608,411
Shares in issue at 31 December 2019	25,326,475	9,518,410	1,481,517

	31 December 2020			
Global Insurance Fund	Shares Number Class I Hedged EUR Accumulation	Shares Number Class I Hedged USD Accumulation	Shares Number Class I GBP Accumulation	Shares Number Class I GBP Distribution
Shares in issue at 1 January 2020	1,430,473	164,496	45,653,951	33,988,282
Shares issued during financial year	595,315	121,335	20,483,675	9,206,423
Shares redeemed during financial year	(964,180)	(154,974)	(24,738,606)	(7,786,918)
Shares in issue at 31 December 2020	1,061,608	130,857	41,399,020	35,407,787
Shares in issue at 31 December 2019	1,430,473	164,496	45,653,951	33,988,282

	31 December 2020			
Global Insurance Fund	Shares Number Class I USD Accumulation	Shares Number Class I USD Distribution	Shares Number Class R EUR Accumulation	Shares Number Class R EUR Distribution
Shares in issue at 1 January 2020	33,450,101	2,257,854	1,147,102	151,502
Shares issued during financial year	8,051,053	1,232,395	466,912	221,329
Shares redeemed during financial year	(15,303,544)	(885,287)	(894,440)	(33,646)
Shares in issue at 31 December 2020	26,197,610	2,604,962	719,574	339,185
Shares in issue at 31 December 2019	33,450,101	2,257,854	1,147,102	151,502

Global Insurance Fund	31 December 2020			
	Shares Number Class R GBP Accumulation	Shares Number Class R GBP Distribution	Shares Number Class R USD Accumulation	Shares Number Class R USD Distribution
Shares in issue at 1 January 2020	1,053,611	3,795,475	7,573,840	135,128
Shares issued during financial year	178,624	526,050	3,113,547	80,312
Shares redeemed during financial year	(416,389)	(1,024,341)	(3,210,415)	(31,846)
Shares in issue at 31 December 2020	815,846	3,297,184	7,476,972	183,594
Shares in issue at 31 December 2019	1,053,611	3,795,475	7,573,840	135,128

Global Technology Fund	31 December 2020		
	Shares Number Class A EUR Distribution	Shares Number Class A GBP Distribution	Shares Number Class A USD Distribution
Shares in issue at 1 January 2020	106,380	295,473	965,212
Shares issued during financial year	341,300	248,195	376,365
Shares redeemed during financial year	(175,790)	(177,942)	(318,434)
Shares in issue at 31 December 2020	271,890	365,726	1,023,143
Shares in issue at 31 December 2019	106,380	295,473	965,212

Global Technology Fund	31 December 2020		
	Shares Number Class I EUR Accumulation	Shares Number Class I EUR Distribution	Shares Number Class I Hedged EUR Distribution
Shares in issue at 1 January 2020	–	2,671,754	3,876,323
Shares issued during financial year	281,847	7,537,710	5,022,235
Shares redeemed during financial year	(9,650)	(3,059,858)	(2,638,806)
Shares in issue at 31 December 2020	272,197	7,149,606	6,259,752
Shares in issue at 31 December 2019	–	2,671,754	3,876,323

Global Technology Fund	31 December 2020		
	Shares Number Class I Hedged GBP Distribution	Shares Number Class I Hedged CHF Distribution	Shares Number Class I GBP Distribution
Shares in issue at 1 January 2020	4,180,751	1,491,905	25,584,904
Shares issued during financial year	3,055,603	1,743,408	13,686,188
Shares redeemed during financial year	(2,143,791)	(378,843)	(9,617,977)
Shares in issue at 31 December 2020	5,092,563	2,856,470	29,653,115
Shares in issue at 31 December 2019	4,180,751	1,491,905	25,584,904

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020			
Global Technology Fund	Shares Number Class I USD Distribution	Shares Number Class R EUR Accumulation	Shares Number Class R EUR Distribution	Shares Number Class R Hedged EUR Distribution
Shares in issue at 1 January 2020	15,840,266	–	3,277,861	3,392,598
Shares issued during financial year	19,493,550	81,563	5,167,576	8,882,265
Shares redeemed during financial year	(9,874,555)	(7,108)	(2,583,882)	(3,526,438)
Shares in issue at 31 December 2020	25,459,261	74,455	5,861,555	8,748,425
Shares in issue at 31 December 2019	15,840,266	–	3,277,861	3,392,598

	31 December 2020			
Global Technology Fund	Shares Number Class R Hedged CHF Distribution	Shares Number Class R GBP Distribution	Shares Number Class R USD Distribution	Shares Number Class R USD Distribution
Shares in issue at 1 January 2020	2,456,570	498,135	511,870	11,033,055
Shares issued during financial year	1,906,062	608,446	383,640	15,229,993
Shares redeemed during financial year	(1,258,109)	(205,033)	(208,170)	(7,999,504)
Shares in issue at 31 December 2020	3,104,523	901,548	687,340	18,263,544
Shares in issue at 31 December 2019	2,456,570	498,135	511,870	11,033,055

	31 December 2020		
Healthcare Blue Chip Fund	Shares Number Class I EUR Accumulation	Shares Number Class I EUR Distribution	Shares Number Class I GBP Accumulation
Shares in issue at 1 January 2020	642	36,664	852,280
Shares issued during financial year	19,038	4,733	621,596
Shares redeemed during financial year	(1,223)	–	(527,666)
Shares in issue at 31 December 2020	18,457	41,397	946,210
Shares in issue at 31 December 2019	642	36,664	852,280

Healthcare Blue Chip Fund	31 December 2020		
	Shares Number Class I GBP Distribution	Shares Number Class I USD Accumulation	Shares Number Class I USD Distribution
Shares in issue at 1 January 2020	504,477	118,810	1,601
Shares issued during financial year	302,376	26,532	3,740
Shares redeemed during financial year	(611,474)	(28,391)	(1,605)
Shares in issue at 31 December 2020	195,379	116,951	3,736
Shares in issue at 31 December 2019	504,477	118,810	1,601

Healthcare Blue Chip Fund	31 December 2020		
	Shares Number Class S GBP Accumulation	Shares Number Class S GBP Distribution	Shares Number Class S GBP Hedged Distribution
Shares in issue at 1 January 2020	463,504	50,872	102
Shares issued during financial year	113,192	34,324	–
Shares redeemed during financial year	(332,433)	(32,966)	–
Shares in issue at 31 December 2020	244,263	52,230	102
Shares in issue at 31 December 2019	463,504	50,872	102

Healthcare Blue Chip Fund	31 December 2020			
	Shares Number Class S USD Accumulation	Shares Number Class S USD Distribution	Shares Number Class SI GBP Distribution	Shares Number Class SI USD Distribution
Shares in issue at 1 January 2020	8	52	4,949,587	8,722
Shares issued during financial year	–	1	1,796,780	3,106
Shares redeemed during financial year	–	–	(1,864,147)	–
Shares in issue at 31 December 2020	8	53	4,882,220	11,828
Shares in issue at 31 December 2019	8	52	4,949,587	8,722

Healthcare Discovery Fund*	31 December 2020			
	Shares Number Class I GBP Accumulation	Shares Number Class I USD Accumulation	Shares Number Class S GBP Accumulation	Shares Number Class S USD Accumulation
Shares in issue at 1 January 2020	–	–	–	–
Shares issued during financial year	133,888	88,700	800,940	2,307,728
Shares redeemed during financial year	(20,614)	–	–	(96,761)
Shares in issue at 31 December 2020	113,274	88,700	800,940	2,210,967
Shares in issue at 31 December 2019	–	–	–	–

* Healthcare Discovery Fund launched on 31 January 2020.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020		
Healthcare Opportunities Fund	Shares Number Class A EUR Distribution	Shares Number Class A GBP Distribution	Shares Number Class A USD Distribution
Shares in issue at 1 January 2020	181,293	107,151	247,338
Shares issued during financial year	128,975	7,121	24,943
Shares redeemed during financial year	(120,412)	(20,265)	(65,242)
Shares in issue at 31 December 2020	189,856	94,007	207,039
Shares in issue at 31 December 2019	181,293	107,151	247,338

	31 December 2020		
Healthcare Opportunities Fund	Shares Number Class I EUR Distribution	Shares Number Class I EUR Accumulation	Shares Number Class I EUR Hedged Distribution
Shares in issue at 1 January 2020	3,167,417	104,051	–
Shares issued during financial year	2,390,977	3,221,010	193,188
Shares redeemed during financial year	(1,818,964)	(750,177)	(4,619)
Shares in issue at 31 December 2020	3,739,430	2,574,884	188,569
Shares in issue at 31 December 2019	3,167,417	104,051	–

	31 December 2020			
Healthcare Opportunities Fund	Shares Number Class I GBP Distribution	Shares Number Class I USD Distribution	Shares Number Class I USD Accumulation	Shares Number Class R EUR Distribution
Shares in issue at 1 January 2020	19,837,720	3,232,707	–	1,297,208
Shares issued during financial year	5,251,543	1,713,537	601,338	441,021
Shares redeemed during financial year	(4,661,763)	(1,274,488)	(23,951)	(401,862)
Shares in issue at 31 December 2020	20,427,500	3,671,756	577,387	1,336,367
Shares in issue at 31 December 2019	19,837,720	3,232,707	–	1,297,207.57

	31 December 2020			
Healthcare Opportunities Fund	Shares Number Class R EUR Accumulation	Shares Number Class R GBP Distribution	Shares Number Class R USD Distribution	Shares Number Class R USD Accumulation
Shares in issue at 1 January 2020	–	296,584	1,911,073	–
Shares issued during financial year	17,572	80,713	589,230	132,249
Shares redeemed during financial year	–	(67,680)	(552,215)	(39,594)
Shares in issue at 31 December 2020	17,572	309,617	1,948,088	92,655
Shares in issue at 31 December 2019	–	296,584	1,911,073	–

Income Opportunities Fund	31 December 2020 Shares Number Class A1 GBP Distribution	Shares Number Class A2 GBP Accumulation	Shares Number Class B1 GBP Distribution	Shares Number Class B2 GBP Accumulation
Shares in issue at 1 January 2020	5,301,711	1,846,194	17,189,899	35,025,951
Shares issued during financial year	1,015,944	25,325	500,732	141,397
Shares redeemed during financial year	(1,769,362)	(851,956)	(12,360,932)	(27,537,755)
Shares in issue at 31 December 2020	4,548,293	1,019,563	5,329,699	7,629,593
Shares in issue at 31 December 2019	5,301,711	1,846,194	17,189,899	35,025,951

Income Opportunities Fund	31 December 2020 Shares Number Class I EUR Accumulation	Shares Number Class I EUR Distribution	Shares Number Class I EUR Hedged Accumulation	Shares Number Class I EUR Hedged Distribution
Shares in issue at 1 January 2020	414	679	16,905	4,917
Shares issued during financial year	–	35	–	6
Shares redeemed during financial year	–	–	(1,600)	(4,000)
Shares in issue at 31 December 2020	414	714	15,305	923
Shares in issue at 31 December 2019	414	679	16,905	4,917

Income Opportunities Fund	31 December 2020 Shares Number Class I USD Accumulation	Shares Number Class I USD Distribution	Shares Number Class R EUR Accumulation	Shares Number Class R EUR Distribution
Shares in issue at 1 January 2020	371	559,077	165,095	487,241
Shares issued during financial year	40,459	32	30,930	38
Shares redeemed during financial year	(40,459)	(249,314)	(155,775)	(47,651)
Shares in issue at 31 December 2020	371	309,795	40,250	439,628
Shares in issue at 31 December 2019	371	559,077	165,095	487,241

Income Opportunities Fund	31 December 2020 Shares Number Class R EUR Hedged Accumulation	Shares Number Class R EUR Hedged Distribution	Shares Number Class R USD Accumulation	Shares Number Class R USD Distribution
Shares in issue at 1 January 2020	200,389	293,444	677,208	1,953,434
Shares issued during financial year	4,565	6	13,900	54,443
Shares redeemed during financial year	(67,850)	(143,122)	(426,675)	(405,475)
Shares in issue at 31 December 2020	137,104	150,328	264,433	1,602,402
Shares in issue at 31 December 2019	200,389	293,444	677,208	1,953,434

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020			
Income Opportunities Fund	Shares Number Class R USD Hedged Accumulation	Shares Number Class R USD Hedged Distribution	Shares Number Class Z GBP Accumulation	Shares Number Class Z GBP Distribution
Shares in issue at 1 January 2020	2,103,222	1,622,673	100	100
Shares issued during financial year	126,805	65,620	–	–
Shares redeemed during financial year	(889,070)	(473,026)	(100)	(100)
Shares in issue at 31 December 2020	1,340,957	1,215,267	0	0
Shares in issue at 31 December 2019	2,103,222	1,622,673	100	100

	31 December 2020			
Japan Value Fund	Shares Number Class I EUR Distribution	Shares Number Class I Hedged CHF Distribution	Shares Number Class I Hedged EUR Distribution	Shares Number Class I Hedged GBP Distribution
Shares in issue at 1 January 2020	1,820,909	100	100	100
Shares issued during financial year	1,388,894	–	–	–
Shares redeemed during financial year	(3,208,765)	–	–	–
Shares in issue at 31 December 2020	1,038	100	100	100
Shares in issue at 31 December 2019	1,820,909	100	100	100

	31 December 2020			
Japan Value Fund	Shares Number Class I Hedged USD Distribution	Shares Number Class I JPY Distribution	Shares Number Class I GBP Distribution	Shares Number Class I USD Distribution
Shares in issue at 1 January 2020	889	1,415	40,561	94,846
Shares issued during financial year	31,584	3,716,656	116,557	2,987
Shares redeemed during financial year	(789)	(120,000)	(60,272)	(94,000)
Shares in issue at 31 December 2020	31,684	3,598,071	96,846	3,833
Shares in issue at 31 December 2019	889	1,415	40,561	94,846

Japan Value Fund	31 December 2020 Shares Number Class R Hedged CHF Distribution	Shares Number Class R Hedged EUR Distribution	Shares Number Class R Hedged GBP Distribution	Shares Number Class R Hedged USD Distribution
Shares in issue at 1 January 2020	388,692	5,992,536	2,088,258	17,591,798
Shares issued during financial year	7,528	223,947	692,415	684,800
Shares redeemed during financial year	(166,024)	(3,123,708)	(530,952)	(8,974,002)
Shares in issue at 31 December 2020	230,196	3,092,775	2,249,721	9,302,596
Shares in issue at 31 December 2019	388,692	5,992,536	2,088,258	17,591,798

Japan Value Fund	31 December 2020 Shares Number Class R EUR Distribution	Shares Number Class R GBP Distribution	Shares Number Class R JPY Distribution	Shares Number Class R USD Distribution
Shares in issue at 1 January 2020	313,503	6,409	7,827,681	530,966
Shares issued during financial year	11,956	–	–	21,498
Shares redeemed during financial year	(159,233)	(1,940)	(2,571,593)	(233,521)
Shares in issue at 31 December 2020	166,226	4,469	5,256,088	318,943
Shares in issue at 31 December 2019	313,503	6,409	7,827,681	530,966

Japan Value Fund	31 December 2020 Shares Number Class S Hedged CHF Distribution	Shares Number Class S Hedged EUR Distribution	Shares Number Class S Hedged GBP Distribution	Shares Number Class S Hedged USD Distribution
Shares in issue at 1 January 2020	429,668	7,972,766	14,381,885	14,639,192
Shares issued during financial year	–	178,913	398,786	60,926
Shares redeemed during financial year	(208,584)	(5,915,521)	(6,829,368)	(9,086,773)
Shares in issue at 31 December 2020	221,084	2,236,158	7,951,303	5,613,345
Shares in issue at 31 December 2019	429,668	7,972,766	14,381,885	14,639,192

Japan Value Fund	31 December 2020 Shares Number Class S EUR Distribution	Shares Number Class S JPY Distribution	Shares Number Class S GBP Distribution	Shares Number Class S USD Distribution
Shares in issue at 1 January 2020	864,406	39,970,679	14,824,616	6,570,534
Shares issued during financial year	–	965,718	7,338,195	2,441
Shares redeemed during financial year	(699,504)	(31,824,177)	(6,116,217)	(890,340)
Shares in issue at 31 December 2020	164,902	9,112,220	16,046,594	5,682,635
Shares in issue at 31 December 2019	864,406	39,970,679	14,824,616	6,570,534

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020			
North American Fund	Shares Number Class I EUR Distribution	Shares Number Class I Hedged EUR Distribution	Shares Number Class I Hedged GBP Distribution	Shares Number Class I Hedged CHF Distribution
Shares in issue at 1 January 2020	6,585,741	5,177,121	3,118,282	182,277
Shares issued during financial year	127,210	1,778,215	332,277	46,374
Shares redeemed during financial year	(6,702,371)	(5,345,440)	(2,528,083)	(79,710)
Shares in issue at 31 December 2020	10,580	1,609,896	922,476	148,941
Shares in issue at 31 December 2019	6,585,741	5,177,121	3,118,282	182,277

	31 December 2020			
North American Fund	Shares Number Class I GBP Distribution	Shares Number Class I USD Distribution	Shares Number Class R EUR Distribution	Shares Number Class R Hedged EUR Distribution
Shares in issue at 1 January 2020	12,089,122	18,747,933	80,801	387,037
Shares issued during financial year	937,257	4,890,889	36,977	28,380
Shares redeemed during financial year	(7,634,403)	(12,991,556)	(47,481)	(244,644)
Shares in issue at 31 December 2020	5,391,976	10,647,266	70,297	170,773
Shares in issue at 31 December 2019	12,089,122	18,747,933	80,801	387,037

	31 December 2020			
North American Fund	Shares Number Class R Hedged GBP Distribution	Shares Number Class R GBP Distribution	Shares Number Class R USD Distribution	Shares Number Class S EUR Distribution
Shares in issue at 1 January 2020	50,589	20,068	1,862,621	46,044
Shares issued during financial year	393	5,957	205,330	6,455
Shares redeemed during financial year	(3,232)	(5,525)	(676,163)	(13,517)
Shares in issue at 31 December 2020	47,750	20,500	1,391,788	38,982
Shares in issue at 31 December 2019	50,589	20,068	1,862,621	46,044

North American Fund	31 December 2020			
	Shares Number Class S Hedged EUR Distribution	Shares Number Class S Hedged GBP Distribution	Shares Number Class S GBP Distribution	Shares Number Class S USD Distribution
Shares in issue at 1 January 2020	28,245	1,844,888	20,218,567	4,137,935
Shares issued during financial year	176,045	60,286	457,141	8,744
Shares redeemed during financial year	(9,040)	(1,108,281)	(12,132,531)	(1,121,880)
Shares in issue at 31 December 2020	195,250	796,893	8,543,177	3,024,799
Shares in issue at 31 December 2019	28,245	1,844,888	20,218,567	4,137,935

UK Absolute Equity Fund	31 December 2020		
	Shares Number Class I EUR Distribution	Shares Number Class I Hedged EUR Distribution	Shares Number Class I Hedged USD Distribution
Shares in issue at 1 January 2020	65,463	8,750,989	1,113,039
Shares issued during financial year	–	1,677,876	20,831
Shares redeemed during financial year	(65,463)	(10,428,865)	(1,133,870)
Shares in issue at 31 December 2020	0	0	0
Shares in issue at 31 December 2019	65,463	8,750,989	1,113,039

UK Absolute Equity Fund	31 December 2020			
	Shares Number Class I GBP Distribution	Shares Number Class I USD Distribution	Shares Number Class R EUR Distribution	Shares Number Class R Hedged EUR Distribution
Shares in issue at 1 January 2020	7,584,754	640,771	34,239	1,140,720
Shares issued during financial year	1,797,721	33,864	12,058	99,387
Shares redeemed during financial year	(9,382,475)	(674,635)	(46,297)	(1,240,107)
Shares in issue at 31 December 2020	0	0	0	0
Shares in issue at 31 December 2019	7,584,754	640,771	34,239	1,140,720

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

9. Shareholders' Funds continued

Movement in redeemable participating shares in issue during the financial year continued

	31 December 2020			
UK Absolute Equity Fund	Shares Number Class R Hedged USD Distribution	Shares Number Class R GBP Distribution	Shares Number Class R USD Distribution	Shares Number Class S EUR Distribution
Shares in issue at 1 January 2020	40,278	115,902	8,829	32,717
Shares issued during financial year	3,610	4,538	700	4,243
Shares redeemed during financial year	(43,888)	(120,440)	(9,529)	(36,960)
Shares in issue at 31 December 2020	0	0	0	0
Shares in issue at 31 December 2019	40,278	115,902	8,829	32,717

	31 December 2020			
UK Absolute Equity Fund	Shares Number Class S Hedged EUR Distribution	Shares Number Class S Hedged USD Distribution	Shares Number Class S GBP Distribution	Shares Number Class S USD Distribution
Shares in issue at 1 January 2020	40,979	74,323	2,614,967	6
Shares issued during financial year	–	–	165,724	–
Shares redeemed during financial year	(40,979)	(74,323)	(2,780,691)	(6)
Shares in issue at 31 December 2020	0	0	0	0
Shares in issue at 31 December 2019	40,979	74,323	2,614,967	6

	31 December 2020		
UK Value Opportunities Fund	Shares Number Class I GBP Accumulation	Shares Number Class I GBP Distribution	Shares Number Class R GBP Accumulation
Shares in issue at 1 January 2020	12,356,996	5,426,362	234,149
Shares issued during financial year	11,529,187	4,671,962	206,175
Shares redeemed during financial year	(9,961,098)	(3,040,117)	(169,269)
Shares in issue at 31 December 2020	13,925,085	7,058,207	271,055
Shares in issue at 31 December 2019	12,356,996	5,426,362	234,149

	31 December 2020			
UK Value Opportunities Fund	Shares Number Class S GBP Accumulation	Shares Number Class S GBP Distribution	Shares Number Class Z GBP Accumulation	Shares Number Distribution
Shares in issue at 1 January 2020	29,013,541	50,791,709	100	100
Shares issued during financial year	7,495,281	20,594,339	17,705,717	3
Shares redeemed during financial year	(21,673,798)	(21,009,218)	(5,646,853)	(103)
Shares in issue at 31 December 2020	14,835,024	50,376,830	12,058,964	0
Shares in issue at 31 December 2019	29,013,541	50,791,709	100	100

10. Financial Risk Management

In accordance with its investment objectives and policies, the Company holds financial instruments, which at any one time may comprise securities, cash and derivatives, held in accordance with the investment objective and polices of each Fund.

A review of the portfolio activity for the financial year is available in the Investment Manager's Reports and a detailed analysis of the investments is shown in the Portfolio Statements. Investments listed on the Portfolio Statements are stated at fair value as described in Note 2.

Risks

The following summary is not intended to be a comprehensive summary of all the risks inherent in investing in the Company and investors should refer to the prospectus for a more detailed discussion of these risks.

Strategy in using Financial Instruments

The Funds are exposed to a variety of financial risks in pursuing their stated investment objectives and policies. These risks are defined for financial reporting purposes by IFRS as credit risk, liquidity risk and market risk (which in turn includes currency risk, interest rate risk and price risk). The Funds take exposure to certain of these risks to generate investment returns on their portfolios, although these risks can also potentially result in a reduction in the Funds' assets. The Investment Manager will use its best endeavours to minimise the potentially adverse effects of these risks on the Funds' performance where it can do so while still managing the investments of the Funds in ways that are consistent with each Fund's investment objectives and policies.

The risks, and the measures adopted by the Company for managing these risks, are detailed below.

Market price risk

Market price risk is the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices.

The assets of the Funds consist principally of equities, equity related securities, fixed income securities, contracts for difference ('CFDs') and currency derivatives used for hedging purposes. Credit default swaps, interest rate futures and options are also used by certain Funds from time to time.

The values of these instruments are determined by market forces and there is accordingly a risk that market prices can change in a way that is adverse to a Fund's performance.

The Directors have adopted a number of investment restrictions which are set out in the individual Fund supplements to the Company's prospectus and which limit the exposure of the Funds to adverse changes in the price of any individual financial asset. In accordance with Company policy, the Investment Manager monitors the Funds' positions on a daily basis and reports regularly to the Board of Directors. The Board reviews the information on each Fund's overall market exposure provided by the Investment Manager at its periodic meetings.

In addition, the Investment Manager manages the exposure of the portfolios to the risk of adverse changes in the general level of market prices to the extent consistent, in the judgement of the Investment Manager, with each Fund's respective investment objective.

Use of Derivatives and Efficient Portfolio Management

Depending on the Funds involved, the Company may invest in financial derivative instruments for both speculative and efficient portfolio management purposes, subject to the conditions and within the limits from time to time stipulated by the Central Bank under the UCITS Regulations. A number of the Funds use currency forwards to hedge share class exposures.

Apart from the Global Absolute Return Fund and Global Convertible Fund, and before it was fully redeemed on 5 May 2020, the UK Absolute Equity Fund, the Investment Manager has generally only used financial derivative instruments in the Funds for the purpose of efficient portfolio management and efficient access to markets during the financial year. This includes contracts for difference, option contracts, forward foreign currency contracts and futures contracts. Risks arising from the use of financial derivative instruments at the financial year end are consistent with those set out in the Prospectus.

Open financial derivative instrument contracts at the financial year end are disclosed in the Portfolio Statements, including the relevant counterparty, the underlying securities, currencies or indices, and the market value or unrealised gain/loss on the contract at the financial year end.

At 31 December 2020, market price risks applying to each Fund are affected by two main components: changes in market prices and currency exchange rates.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Market price risk continued

The following tables show the sensitivity of each Fund (for a representative share class) to changes in market prices based on a 10% price stress test on the portfolio as at 31 December 2020 and 31 December 2019.

As at 31 December 2020		NAV US$/share 31 December 2020	% Increase/ (decrease) price levels	NAV US$/share after price impact
Asian Opportunities Fund Class I US Dollar	US$	16.04	10	17.60
Asian Opportunities Fund Class I US Dollar	US$	16.04	(10)	14.48
Biotechnology Fund Class I US Dollar	US$	39.27	10	42.88
Biotechnology Fund Class I US Dollar	US$	39.27	(10)	35.66
Emerging Markets Income Fund Class I US Dollar Accumulation	US$	13.33	10	14.64
Emerging Markets Income Fund Class I US Dollar Accumulation	US$	13.33	(10)	12.02
Financial Opportunities Fund Class I US Dollar Accumulation	US$	14.70	10	16.11
Financial Opportunities Fund Class I US Dollar Accumulation	US$	14.70	(10)	13.29
Global Convertible Fund Class I US Dollar Accumulation	US$	17.41	10	18.26
Global Convertible Fund Class I US Dollar Accumulation	US$	17.41	(10)	16.61
Global Technology Fund Class I US Dollar	US$	87.61	10	96.45
Global Technology Fund Class I US Dollar	US$	87.61	(10)	79.62
Healthcare Blue Chip Fund Class I US Dollar Accumulation	US$	16.04	10	17.54
Healthcare Blue Chip Fund Class I US Dollar Accumulation	US$	16.04	(10)	14.54
Healthcare Opportunities Fund Class I US Dollar	US$	64.58	10	70.96
Healthcare Opportunities Fund Class I US Dollar	US$	64.58	(10)	58.20
North American Fund Class I US Dollar	US$	31.39	10	34.45
North American Fund Class I US Dollar	US$	31.39	(10)	28.33
Automation & AI – I USD Acc	US$	17.84	10	19.55
Automation & AI – I USD Acc	US$	17.84	(10)	16.13
Emerging Market Stars I USD Acc	US$	15.13	10	16.59
Emerging Market Stars I USD Acc	US$	15.13	(10)	13.67
China Stars I USD Acc	US$	16.49	10	18.04
China Stars I USD Acc	US$	16.49	(10)	14.94
Asian Stars I USD Acc	US$	18.12	10	19.90
Asian Stars I USD Acc	US$	18.12	(10)	16.34
Global Absolute Return I USD Acc	US$	125.46	10	138.00
Global Absolute Return I USD Acc	US$	125.46	(10)	112.91
Healthcare Discovery I USD Acc	US$	11.01	10	12.11
Healthcare Discovery I USD Acc	US$	11.01	(10)	9.91

As at 31 December 2020		NAV €/share 31 December 2020	% Increase/ (decrease) price levels	NAV €/share after price impact
European ex UK Income Fund Class I Euro Accumulation	EUR	11.50	10	12.64
European ex UK Income Fund Class I Euro Accumulation	EUR	11.50	(10)	10.36

As at 31 December 2020		NAV £/share 31 December 2020	% Increase/ (decrease) price levels	NAV £/share after price impact
Global Insurance Fund Class I Sterling Accumulation	GBP	9.72	10	10.67
Global Insurance Fund Class I Sterling Accumulation	GBP	9.72	(10)	8.78
Income Opportunities Fund B2 Sterling Accumulation	GBP	2.33	10	2.49
Income Opportunities Fund B2 Sterling Accumulation	GBP	2.33	(10)	2.15
UK Absolute Equity Fund Class I Sterling	GBP	–	10	–
UK Absolute Equity Fund Class I Sterling	GBP	–	(10)	–
UK Value Opportunities Fund Class I Accumulation	GBP	12.19	10	13.38
UK Value Opportunities Fund Class I Accumulation	GBP	12.19	(10)	11.00

As at 31 December 2020		NAV ¥/share 31 December 2020	% Increase/ (decrease) price levels	NAV ¥/share after price impact
Japan Value Fund Class I Japanese Yen	JPY	239.03	10	260.80
Japan Value Fund Class I Japanese Yen	JPY	239.03	(10)	215.13

As at 31 December 2019		NAV US$/share 31 December 2019	% Increase/ (decrease) price levels	NAV US$/share after price impact
Asian Opportunities Fund Class I US Dollar Distribution	US$	14.14	10	15.50
Asian Opportunities Fund Class I US Dollar Distribution	US$	14.14	(10)	12.78
Asian Stars I USD Accumulation	US$	12.66	10	13.90
Asian Stars I USD Accumulation	US$	12.66	(10)	11.42
Automation & AI – I USD Accumulation	US$	12.83	10	14.01
Automation & AI – I USD Accumulation	US$	12.83	(10)	11.65
Biotechnology Fund Class I US Dollar Distribution	US$	27.88	10	30.55
Biotechnology Fund Class I US Dollar Distribution	US$	27.88	(10)	25.21
China Stars I USD Accumulation	US$	11.36	10	12.36
China Stars I USD Accumulation	US$	11.36	(10)	10.36
Emerging Markets Income Fund Class I US Dollar Accumulation	US$	13.29	10	14.57
Emerging Markets Income Fund Class I US Dollar Accumulation	US$	13.29	(10)	12.01
Emerging Market Stars I USD Accumulation	US$	10.97	10	11.98
Emerging Market Stars I USD Accumulation	US$	10.97	(10)	9.96
Financial Opportunities Fund Class I US Dollar Accumulation	US$	15.10	10	16.58
Financial Opportunities Fund Class I US Dollar Accumulation	US$	15.10	(10)	13.62
Global Absolute Return I USD Accumulation	US$	102.29	10	102.91
Global Absolute Return I USD Accumulation	US$	102.29	(10)	102.01
Global Convertible Fund Class I US Dollar Accumulation	US$	13.61	10	14.09
Global Convertible Fund Class I US Dollar Accumulation	US$	13.61	(10)	13.20
Global Technology Fund Class I US Dollar Distribution	US$	55.06	10	60.54
Global Technology Fund Class I US Dollar Distribution	US$	55.06	(10)	49.80

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Market price risk continued

As at 31 December 2019		NAV US$/share 31 December 2019	% Increase/ (decrease) price levels	NAV US$/share after price impact
Healthcare Blue Chip Fund Class I US Dollar Accumulation	US$	14.87	10	16.27
Healthcare Blue Chip Fund Class I US Dollar Accumulation	US$	14.87	(10)	13.47
Healthcare Opportunities Fund Class I US Dollar Distribution	US$	54.39	10	59.82
Healthcare Opportunities Fund Class I US Dollar Distribution	US$	54.39	(10)	48.96
North American Fund Class I US Dollar Distribution	US$	27.26	10	29.86
North American Fund Class I US Dollar Distribution	US$	27.26	(10)	24.66

As at 31 December 2019		NAV €/share 31 December 2019	% Increase/ (decrease) price levels	NAV €/share after price impact
European Ex UK Income Fund Class I Euro Accumulation	EUR€	12.91	10	14.17
European Ex UK Income Fund Class I Euro Accumulation	EUR€	12.91	(10)	11.65

As at 31 December 2019		NAV £/share 31 December 2019	% Increase/ (decrease) price levels	NAV £/share after price impact
Global Insurance Fund Class I Sterling Accumulation	GBP£	7.53	10	8.26
Global Insurance Fund Class I Sterling Accumulation	GBP£	7.53	(10)	6.80
Income Opportunities Fund B2 Sterling Accumulation	GBP£	2.41	10	2.56
Income Opportunities Fund B2 Sterling Accumulation	GBP£	2.41	(10)	2.25
UK Absolute Equity Fund Class I Sterling Distribution	GBP£	22.09	10	22.45
UK Absolute Equity Fund Class I Sterling Distribution	GBP£	22.09	(10)	21.73
UK Value Opportunities Fund Class I Sterling Accumulation	GBP£	13.21	10	14.46
UK Value Opportunities Fund Class I Sterling Accumulation	GBP£	13.21	(10)	11.96

As at 31 December 2019		NAV ¥/share 31 December 2019	% Increase/ (decrease) price levels	NAV ¥/share after price impact
Japan Value Fund Class S Japanese Yen Distribution	JPY ¥	272.32	10	297.13
Japan Value Fund Class S Japanese Yen Distribution	JPY ¥	272.32	(10)	247.52

Sensitivity analysis is calculated after an adjustment for swing pricing.

Market price risk analysis is based on the dealing NAV per share.

Some limitations of sensitivity analysis are:

(i) the models are based on historical data and cannot take account of the fact that future market price movements, correlations between markets and levels of market liquidity in conditions of market stress may bear no relation to historical patterns;

(ii) the market price risk information is a relative estimate of risk rather than a precise and accurate number;

(iii) the market price information represents a hypothetical outcome and is not intended to be predictive; and

(iv) future market conditions could vary significantly from those experienced in the past.

Exposure to derivatives

In respect of Global Absolute Return Fund and, until it was fully redeemed, the UK Absolute Equity Fund, the Investment Manager uses a Value at Risk ('VaR') based approach to limit the exposure of the Fund to derivatives. In accordance with the UCITS Regulations, derivatives exposure is limited to the extent necessary to keep the Fund's VaR within the limit set out below. VaR is measured using a 99% confidence level.

Global Absolute Return Fund

The VaR limit for the Global Absolute Return Fund is 20% based on a 20-day holding period.

The minimum VaR during the financial year was 1.06%.

The maximum VaR during the financial year was 10.10%.

The average VaR during the financial year was 4.19%.

The VaR calculated for Global Absolute Return Fund is a 20d Monte Carlo VaR, with a confidence level 99% and using five-year return history with a decay factor of 0.97. The VaR is calculated in Axioma.

Secondly, gross leverage, calculated as the sum of the absolute notional values of the derivatives used in each Fund, is not anticipated to exceed 350% of Net Asset Value of the Global Absolute Return Fund at any given time.

UK Absolute Equity Fund

The VaR limit for the UK Absolute Equity Fund is 20% based on a 20-day holding period.

The minimum VaR during the financial year was 0.006%.

The maximum VaR during the financial year was 12.22%.

The average VaR during the financial year was 5.9%.

The VaR calculated for UK Absolute Equity Fund is a 20d Monte Carlo VaR, with a confidence level 99% and using five-year return history with a decay factor of 1. The VaR is calculated in Axioma.

Secondly, gross leverage, calculated as the sum of the absolute notional values of the derivatives used in each Fund, is not anticipated to exceed 250% of Net Asset Value of the UK Absolute Equity Fund at any given time.

All of the other Funds active during the financial year use the commitment approach to measure derivatives exposure.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Each Fund is exposed to currency risk as the assets and liabilities of each Fund may be denominated in a currency other than the base currency of that Fund.

The fluctuations in the rate of exchange between the currency in which the asset or liability is denominated and the functional currency could result in an appreciation or depreciation in the fair value of that asset when measured in the Fund's base currency. The Investment Manager may attempt to mitigate these risks through the use of financial derivative instruments.

The Investment Manager monitors each Fund's currency exposure, where relevant to the investment strategy for the Fund, on a daily basis and reports regularly to the Board of Directors.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

At 31 December 2020 each Fund's currency exposure was as follows:

Asian Opportunities Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Australian dollar	78,892	–	–	–	78,892
Euro	–	–	(265)	112,627	112,362
Hong Kong dollar	2,557,902	–	140	–	2,558,042
Indian rupee	1,371,525	–	855	–	1,372,380
Indonesian rupiah	624,341	–	–	–	624,341
Korean won	616,439	–	–	–	616,439
Malaysian ringgit	117,275	–	–	–	117,275
Pakistan rupee	70,787	–	–	–	70,787
Philippine peso	410,310	–	–	–	410,310
Singapore dollar	298,345	–	105,476	–	403,821
Sri Lanka rupee	–	–	15	–	15
Sterling	–	–	(692)	253,409	252,717
Taiwan dollar	834,064	–	–	–	834,064
Vietnamese dong	91,634	–	7,810	–	99,444
Thai baht	431,554	–	–	–	431,554
	7,503,068	–	113,339	366,036	7,982,443

Asian Stars Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
China Yuan	185,437	–	–	–	185,437
Euro	–	–	(121)	–	(121)
Hong Kong dollar	3,674,356	–	–	–	3,674,356
Indian rupee	2,460,765	–	79,029	–	2,539,794
Korean won	3,977,049	–	–	–	3,977,049
Singapore dollar	187,365	–	8	–	187,373
Sterling	–	(3)	(109)	–	(112)
Taiwan dollar	2,757,034	–	–	–	2,757,034
Vietnamese dong	669,785	–	65,858	–	735,643
	13,911,791	(3)	144,665	–	14,056,453

Automation & Artificial Intelligence Fund	Non-USD Currency Assets GBP	Non-USD Currency Liabilities GBP	Non-GBP Cash Balance GBP	Forward Foreign Currency Contracts GBP	Net Non-USD Currency Assets GBP
Euro	76,981,156	(32)	18,196	(35,892)	76,963,428
Hong Kong dollar	13,129,374	–	–	–	13,129,374
Japanese yen	151,122,686	(1,188,483)	(18,748,290)	(4,398,920)	126,786,993
Korean won	10,916,633	–	–	–	10,916,633
Sterling	18,680,719	(195,055)	(2,528,953)	1,174,266	17,130,977
Swedish krona	23,971,765	–	–	–	23,971,765
Swiss franc	12,313,072	–	–	–	12,313,072
Taiwan dollar	50,428,695	–	–	–	50,428,695
	357,544,100	(1,383,570)	(21,259,047)	(3,260,546)	331,640,937

Biotechnology Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	171,345,950	(813)	(1,040,122)	(200,044)	170,104,971
Danish krone	27,495,685	–	–	–	27,495,685
Sterling	77,044,076	(2,246,864)	(954,488)	12,009,355	85,852,079
Swedish krona	8,499,187	–	–	–	8,499,187
	284,384,898	(2,247,677)	(1,994,610)	11,809,311	291,951,922

China Stars Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
China Yuan	3,258,926	(27,284)	–	27,284	3,258,926
Euro	263,748	(163)	(188,753)	–	74,832
Hong Kong dollar	6,177,671	(78,435)	–	47,421	6,146,657
Sterling	–	(22,221)	56,281	–	34,060
Taiwan dollar	672,610	(12,291)	239,982	–	900,301
	10,372,955	(140,394)	107,510	74,705	10,414,776

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

Emerging Markets Income Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Brazil real	1,871,091	–	20	–	1,871,111
Czech koruna	1,900,879	–	–	–	1,900,879
Euro	3,787,499	(1)	(966)	–	3,786,532
Hong Kong dollar	25,337,839	–	–	–	25,337,839
Indian rupee	8,973,937	–	–	–	8,973,937
Indonesian rupiah	3,093,416	–	–	–	3,093,416
Kuwait dinar	2,247,929	–	–	–	2,247,929
Korean won	21,981,228	–	–	–	21,981,228
Malaysian ringgit	–	–	696	–	696
Mexican peso	4,305,063	–	–	–	4,305,063
Polish zloty	868,492	–	–	–	868,492
Romanian leu	3,463,542	–	–	–	3,463,542
South Africa rand	3,132,928	–	–	–	3,132,928
Sterling	–	–	57,189	(391)	56,798
Taiwan dollar	10,507,884	–	2	–	10,507,886
Thai baht	1,601,650	–	–	–	1,601,650
UAE dirham	1,404,256	–	–	–	1,404,256
	94,477,633	(1)	56,941	(391)	94,534,182

Emerging Market Stars Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Australian dollar	4	–	–	–	4
Brazil real	4,615,904	–	9,230	–	4,625,134
Canadian dollar	8,267,442	–	–	–	8,267,442
China Yuan	3,658,815	–	–	–	3,658,815
Euro	7,419,139	(31)	258,016	(258,552)	7,418,572
Hong Kong dollar	60,042,930	–	(468)	–	60,042,462
Indian rupee	47,883,548	–	4,637	–	47,888,185
Korean won	76,230,313	–	190	–	76,230,503
Mexican peso	–	–	177	–	177
Polish zloty	2,892,962	(1)	(223)	–	2,892,738
Singapore dollar	3,738,129	–	–	–	3,738,129
South Africa rand	–	(501)	–	–	(501)

Emerging Market Stars Fund continued	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Sri Lanka rupee	–	–	22,530	–	22,530
Sterling	–	(3)	83,156	5,749	88,902
Swiss franc	–	(992)	–	–	(992)
Taiwan dollar	51,631,036	–	20,489	–	51,651,525
Vietnamese dong	11,227,303	–	1,896,296	–	13,123,599
	277,607,525	(1,528)	2,294,030	(252,803)	279,647,224

European ex UK Income Fund	Non-EUR Currency Assets EUR	Non-EUR Currency Liabilities EUR	Non-EUR Cash Balance EUR	Forward Foreign Currency Contracts EUR	Net Non–EUR Currency Assets EUR
Danish kroner	6,417,097	–	–	–	6,417,097
Sterling	–	(292)	(120,570)	35,996,473	35,875,611
Swedish krona	9,746,282	–	–	–	9,746,282
Swiss franc	34,478,226	–	–	(770,201)	33,708,025
United States dollar	–	–	1,851	–	1,851
	50,641,605	(292)	(118,719)	35,226,272	85,748,866

Financial Opportunities Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
British Sterling Pound	789,785	–	21,900	(7,108)	804,577
Brazil real	9	–	–	–	9
Canadian dollar	246,930	–	–	–	246,930
Euro	798,603	(2)	(1,758)	–	796,843
Hong Kong dollar	1,043,610	–	–	–	1,043,610
Indian rupee	738,526	–	–	–	738,526
Indonesian rupiah	409,139	–	–	–	409,139
Mexican peso	126,892	–	–	–	126,892
Norwegian krone	239,574	–	–	–	239,574
Philippine peso	130,299	–	–	–	130,299
Singapore dollar	–	–	185	–	185
Swedish krona	97,255	–	–	–	97,255
Swiss franc	157,393	(46)	30,628	–	187,975
Taiwan dollar	165,501	–	32,643	–	198,144
Thai baht	262,028	–	–	–	262,028
Vietnamese Dong	119,556	–	5,531	–	125,087
	5,325,100	(48)	89,129	(7,108)	5,407,073

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

Global Absolute Return Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Australian dollar	896,317	(1,906)	(731,594)	–	162,817
Euro	9,000,926	(3,104,320)	1,329,488	4,184,311	11,410,405
Hong Kong dollar	329,997	(106,456)	–	–	223,541
Japanese yen	527,931	(4,542)	(801,455)	–	(278,066)
Sterling	–	(5)	290,136	34,823,375	35,113,506
Swedish krona	–	–	(1,253)	–	(1,253)
Swiss franc	1,190,887	(87,274)	(720,026)	–	383,587
	11,946,058	(3,304,503)	(634,704)	39,007,686	47,014,537

Global Convertible Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	212,937,716	(74,072,554)	6,133,734	(23,615,792)	121,383,104
Hong Kong dollar	28,608,693	(81,732)	(4,333,004)	–	24,193,957
Japanese yen	23,278,972	–	(19,729,814)	(12,824,231)	(9,275,073)
Sterling	67,028,975	(469,588)	(25,550,771)	276,524,417	317,533,033
Swedish kronor	–	–	(572)	–	(572)
Swiss franc	23,770,432	(272,430)	1,506,289	9,891,339	34,895,630
Israel Shekel	1,437,169	–	–	–	1,437,169
Singapore dollar	16,518,388	–	–	–	16,518,388
South Africa rand	–	–	(1,498)	–	(1,498)
	373,580,345	(74,896,304)	(41,975,636)	249,975,733	506,684,138

Global Insurance Fund	Non-GBP Currency Assets GBP	Non-GBP Currency Liabilities GBP	Non-GBP Cash Balance GBP	Forward Foreign Currency Contracts GBP	Net Non-GBP Currency Assets GBP
Canadian dollar	126,141,590	–	–	–	126,141,590
Euro	21,815,119	(32)	(89,923)	12,879,832	34,604,996
Hong Kong dollar	42,484,635	–	–	–	42,484,635
United States dollar	1,145,777,322	(2,077,659)	4,395,689	3,519,687	1,151,615,039
	1,336,218,666	(2,077,691)	4,305,766	16,399,519	1,354,846,260

Global Technology Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	463,562,244	(4,320)	2,944,773	553,550,322	1,020,053,019
Hong Kong dollar	268,546,645	–	6,761	–	268,553,406
Indian rupee	–	–	3,316	–	3,316
Japanese yen	506,497,456	–	2,049	–	506,499,505
Korean won	340,437,022	–	–	–	340,437,022
Sterling	66,505,595	(111)	4,862,335	230,305,972	301,673,791
Swiss franc	–	(72)	501,417	142,954,121	143,455,466
Swedish Kronor	44,470,532	–	–	–	44,470,532
Taiwan dollar	334,078,570	–	–	–	334,078,570
	2,024,098,064	(4,503)	8,320,651	926,810,415	2,959,224,627

Healthcare Blue Chip Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	14,380,155	(20)	(2,866)	–	14,377,269
Japanese yen	3,426,980	–	–	(1,052,537)	2,374,443
Swedish Kronor	1,790,775	–	–	–	1,790,775
Sterling	3,646,304	(1,861)	(1,977,137)	(5,379)	1,661,927
Swiss franc	3,322,987	–	–	–	3,322,987
	26,567,201	(1,881)	(1,980,003)	(1,057,916)	23,527,401

Healthcare Discovery Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Danish krone	1,116,867	–	–	–	1,116,867
Euro	2,694,448	–	26	–	2,694,474
Hungary Forint	802,958	–	–	–	802,958
Japanese yen	1,433,106	–	–	–	1,433,106
Swedish Kronor	1,847,609	–	–	–	1,847,609
Sterling	963,676	–	–	47	963,723
Swiss franc	261,080	–	–	–	261,080
	9,119,744	–	26	47	9,119,817

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

Healthcare Opportunities Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Danish krone	78,904,060	–	–	–	78,904,060
Euro	113,018,019	(100)	160,098	2,898,815	116,076,832
Hungary Forint	35,621,260	–	–	–	35,621,260
Indian rupee	–	–	6,789	–	6,789
Japanese yen	73,438,345	–	457	–	73,438,802
Sterling	90,163,550	(388)	812,702	(857,130)	90,118,734
Swiss franc	116,863,838	(3)	1,747	–	116,865,582
	508,009,072	(491)	981,793	2,041,685	511,032,059

Income Opportunities Fund	Non-GBP Currency Assets GBP	Non-GBP Currency Liabilities GBP	Non-GBP Cash Balance GBP	Forward Foreign Currency Contracts GBP	Net Non-GBP Currency Assets GBP
Canadian dollar	848,465	–	–	–	848,465
Euro	9,527,047	–	20,879	3,124,459	12,672,385
Hong Kong dollar	557,782	–	–	–	557,782
Norwegian krone	1,225,863	–	–	–	1,225,863
Singapore dollar	779,573	–	–	–	779,573
Swedish krona	1,359,523	–	–	–	1,359,523
United States dollar	25,329,284	(16,126)	26,043	19,054,788	44,393,989
Swiss franc	877,213	–	–	–	877,213
Thai baht	1,428,114	–	–	–	1,428,114
	41,932,864	(16,126)	46,922	22,179,247	64,142,907

Japan Value Fund	Non-JPY Currency Assets JPY	Non-JPY Currency Liabilities JPY	Non-JPY Cash Balance JPY	Forward Foreign Currency Contracts JPY	Net Non-JPY Currency Assets JPY
Euro	–	(1,094)	(6,870,728)	1,352,276,961	1,345,405,139
Sterling	–	(26,080)	(13,625,485)	2,410,435,793	2,396,784,228
Swiss franc	–	–	4	495,854,405	495,854,409
United States dollar	–	(15,218)	(54,819,814)	4,439,966,055	4,385,131,023
	–	(42,392)	(75,316,023)	8,698,533,214	8,623,174,799

North American Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Canadian dollar	20,916,488	–	–	–	20,916,488
Euro	–	(606)	(848,877)	65,244,940	64,395,457
Hong Kong Dollar	13,173,218	–	–	–	13,173,218
Sterling	–	–	492,619	67,629,225	68,121,844
Swiss franc	–	(5)	(22,684)	2,543,591	2,520,902
	34,089,706	(611)	(378,942)	135,417,756	169,127,909

UK Value Opportunities Fund	Non-GBP Currency Assets GBP	Non-GBP Currency Liabilities GBP	Non-GBP Cash Balance GBP	Forward Foreign Currency Contracts GBP	Net Non-GBP Currency Assets GBP
Euro	–	–	(761)	–	(761)
United States dollar	–	(40)	(38,018)	–	(38,058)
	–	(40)	(38,779)	–	(38,819)

At 31 December 2019 each Fund's currency exposure was as follows:

Asian Opportunities Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	1	(502)	–	427,900	427,399
Hong Kong dollar	4,353	–	139	7,645,199	7,649,691
Indian rupee	4,726,324	–	875	–	4,727,199
Indonesian rupiah	2,605,744	–	–	–	2,605,744
Korean won	1,846,443	–	–	–	1,846,443
Malaysian ringgit	851,703	–	–	–	851,703
Philippine peso	1,796,882	–	4,876	–	1,801,758
Singapore dollar	1,159,061	–	103,598	–	1,262,659
Sri Lanka rupee	–	–	16	–	16
Sterling	–	(410,654)	409,872	438,778	437,996
Taiwan dollar	2,671,962	–	–	–	2,671,962
Thai baht	1,600,751	–	–	–	1,600,751
	17,263,224	(411,156)	519,376	8,511,877	25,883,321

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

Asian Stars Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Australian dollar	100,606	–	–	–	100,606
Hong Kong dollar	1,566,048	–	–	–	1,566,048
Indian rupee	1,312,156	–	80,935	–	1,393,091
Korean won	1,194,666	–	–	–	1,194,666
Philippine peso	61,371	–	–	–	61,371
Singapore dollar	165,735	–	8	–	165,743
Taiwan dollar	1,258,408	–	–	–	1,258,408
Vietnamese dong	396,351	–	13,561	–	409,912
	6,055,341	–	94,504	–	6,149,845

Automation & Artificial Intelligence Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	51,740,910	(46)	(10,610)	(232)	51,730,022
Hong Kong dollar	2,535,795	(3,519)	–	–	2,532,276
Japanese yen	94,286,793	(608,195)	(17,376,790)	(18,421)	76,283,387
Korean won	6,941,583	–	–	–	6,941,583
Sterling	9,919,814	(192)	32,801	(27,771)	9,924,652
Swedish krona	25,991,100	–	–	–	25,991,100
Taiwan dollar	26,662,076	–	–	–	26,662,076
	218,078,071	(611,952)	(17,354,599)	(46,424)	200,065,096

Biotechnology Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Canadian dollar	3,026,027	–	–	–	3,026,027
Euro	42,957,518	(703)	(738,111)	(150,807)	42,067,897
Danish krone	40,303,816	–	–	–	40,303,816
Sterling	19,221,219	(15,043)	(1,047,120)	3,290,186	21,449,242
Swedish krona	–	–	(76,199)	61,371	(14,828)
Swiss franc	1,639,387	–	–	–	1,639,387
	107,147,967	(15,746)	(1,861,430)	3,200,750	108,471,541

China Stars Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
China Yuan	1,766,197	–	–	–	1,766,197
Euro	116,541	(189)	(76,521)	–	39,831
Hong Kong dollar	662	(18,360)	(376,561)	3,492,005	3,097,746
Sterling	–	–	33,117	–	33,117
Taiwan dollar	406,365	–	280,164	–	686,529
	2,289,765	(18,549)	(139,801)	3,492,005	5,623,420

Emerging Markets Income Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Brazil real	9,508,035	–	8,895	–	9,516,930
Czech koruna	3,003,461	–	–	–	3,003,461
Euro	2,382,574	(2)	3,155	–	2,385,727
Hong Kong dollar	32,578,258	–	–	–	32,578,258
Indian rupee	14,380,989	–	–	–	14,380,989
Indonesian rupiah	2,160,994	–	–	–	2,160,994
Kuwait dinar	1,787,537	–	–	–	1,787,537
Korean won	21,272,534	–	–	–	21,272,534
Malaysian ringgit	3,996,104	–	685	–	3,996,789
Mexican peso	5,906,284	–	–	–	5,906,284
Polish zloty	2,853,774	–	–	–	2,853,774
Romanian leu	4,981,409	–	–	–	4,981,409
South Africa rand	6,739,020	–	–	–	6,739,020
Sterling	–	(7)	63,553	(5,718)	57,828
Taiwan dollar	10,939,820	–	2	–	10,939,822
Thai baht	3,843,416	–	–	–	3,843,416
UAE dirham	2,370,118	–	–	–	2,370,118
	128,704,327	(9)	76,290	(5,718)	128,774,890

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

Emerging Market Stars Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Australian dollar	–	–	4	–	4
Brazil real	2,482,783	–	313	–	2,483,096
Canadian dollar	345,218	–	–	–	345,218
Euro	–	(2,343,782)	–	–	(2,343,782)
Hong Kong dollar	7,117,484	(508,274)	(465)	508,271	7,117,016
Indian rupee	6,831,254	(487,770)	3,497	–	6,346,981
Korean won	5,440,994	–	178	–	5,441,172
Mexican peso	–	–	187	–	187
Polish zloty	731,498	(1)	(220)	–	731,277
Singapore dollar	353,163	(25,172)	–	25,172	353,163
South Africa rand	–	(5)	(523)	–	(528)
Sri Lanka rupee	–	–	23,011	–	23,011
Sterling	605,101	(43,309)	87,110	43,235	692,137
Taiwan dollar	6,643,480	(448,057)	19,205	–	6,214,628
Vietnamese dong	1,966,510	(115,893)	202,761	–	2,053,378
	32,517,485	(3,972,263)	335,058	576,678	29,456,958

European ex UK Income Fund	Non-EUR Currency Assets EUR€	Non-EUR Currency Liabilities EUR€	Non-EUR Cash Balance EUR€	Forward Foreign Currency Contracts EUR€	Net Non-EUR Currency Assets EUR€
Danish kroner	5,590,697	–	–	–	5,590,697
Sterling	34,931	(428,301)	(120,769)	142,836,614	142,322,475
Swedish krona	7,025,622	–	–	–	7,025,622
Swiss franc	45,460,621	–	–	–	45,460,621
United States dollar	–	–	2,017	–	2,017
	58,111,871	(428,301)	(118,752)	142,836,614	200,401,432

European Income Fund	Non-EUR Currency Assets EUR€	Non-EUR Currency Liabilities EUR€	Non-EUR Cash Balance EUR€	Forward Foreign Currency Contracts EUR€	Net Non-EUR Currency Assets EUR€
Sterling	–	–	(294)	–	(294)
United States dollar	–	–	58	–	58
	–	–	(236)	–	(236)

Financial Opportunities Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Brazil real	–	–	11	–	11
Canadian dollar	700,459	–	–	–	700,459
Euro	1,512,468	(1)	(1,557)	–	1,510,910
Hong Kong dollar	1,153,185	–	–	–	1,153,185
Indian rupee	955,742	–	–	–	955,742
Indonesian rupiah	587,009	–	–	–	587,009
Mexican peso	279,175	–	–	–	279,175
Norwegian krone	517,963	–	–	–	517,963
Philippine peso	309,164	–	2,216	–	311,380
Singapore dollar	166,580	–	182	–	166,762
Sterling	1,643,277	(1,049)	15,538	–	1,657,766
Swiss franc	26,284	(40)	–	–	26,244
Taiwan dollar	250,487	–	30,597	–	281,084
Thai baht	221,669	–	–	–	221,669
Turkish lira	176,756	–	–	–	176,756
	8,500,218	(1,090)	46,987	–	8,546,115

Global Absolute Return Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	10,779,480	(6,323,819)	118,682	–	4,574,343
Hong Kong dollar	–	–	12,312	–	12,312
Japanese yen	13,537,062	(12,935,127)	(559,975)	–	41,960
Sterling	7,961,714	(7,882,375)	233,340	33,675,384	33,988,063
Swedish krona	–	(1,090)	–	–	(1,090)
Swiss franc	–	(31)	–	–	(31)
	32,278,256	(27,142,442)	(195,641)	33,675,384	38,615,557

Global Convertible Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	85,844,466	(28,843,462)	23,540,477	(29,065,402)	51,476,079
Hong Kong dollar	33,640,589	–	83,578	–	33,724,167
Japanese yen	55,724,871	(136,980)	(18,688,762)	(16,277,483)	20,621,646
Sterling	83,332,562	(28,909,588)	(5,536,126)	213,963,472	262,850,320
Swedish krona	45,312	–	(434,334)	–	(389,022)
Swiss franc	–	(20,288)	–	6,817,429	6,797,141
	258,587,800	(57,910,318)	(1,035,167)	175,438,016	375,080,331

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

Global Insurance Fund	Non-GBP Currency Assets GBP£	Non-GBP Currency Liabilities GBP£	Non-GBP Cash Balance GBP£	Forward Foreign Currency Contracts GBP£	Net Non-GBP Currency Assets GBP£
Canadian dollar	150,389,721	–	–	–	150,389,721
Euro	252,838	(264,262)	188,520	17,513,207	17,690,303
Hong Kong dollar	64,241,375	–	–	–	64,241,375
United States dollar	1,151,651,883	(3,901,311)	(1,983,301)	479,782	1,146,247,053
	1,366,535,817	(4,165,573)	(1,794,781)	17,992,989	1,378,568,452

Global Technology Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Euro	103,989,509	(5,747,447)	1,482,084	193,397,842	293,121,988
Hong Kong dollar	84,471,867	–	–	–	84,471,867
Indian rupee	–	–	3,395	–	3,395
Japanese yen	231,976,296	(37)	1,947	–	231,978,206
Korean won	132,536,205	–	–	–	132,536,205
Sterling	702,826	(427,703)	166,073	123,490,230	123,931,426
Swiss franc	4,698	(113,287)	763	46,204,140	46,096,314
Taiwan dollar	104,077,875	–	49,064	–	104,126,939
	657,759,276	(6,288,474)	1,703,326	363,092,212	1,016,266,340

Healthcare Blue Chip Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Danish krone	1,278,314	(2)	–	–	1,278,312
Euro	8,559,918	(1)	(1,204)	–	8,558,713
Japanese yen	1,556,706	–	–	–	1,556,706
Sterling	6,653,824	–	(1,809,602)	(17,843)	4,826,379
	18,048,762	(3)	(1,810,806)	(17,843)	16,220,110

Healthcare Opportunities Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Danish krone	47,136,056	(21)	–	–	47,136,035
Euro	234,014,182	(171,593)	–	129,618	233,972,207
Indian rupee	6,950	–	–	–	6,950
Japanese yen	29,386,583	–	–	–	29,386,583
Sterling	173,735,617	–	–	(664,092)	173,071,525
Swiss franc	104,152,900	(3)	–	–	104,152,897
	588,432,288	(171,617)	–	(534,474)	587,726,197

Income Opportunities Fund	Non-GBP Currency Assets GBP£	Non-GBP Currency Liabilities GBP£	Non-GBP Cash Balance GBP£	Forward Foreign Currency Contracts GBP£	Net Non-GBP Currency Assets GBP£
Canadian dollar	1,786,124	–	–	–	1,786,124
Euro	18,468,496	(320,723)	20,281	5,475,407	23,643,461
Georgian lari	735,098	–	–	–	735,098
Hong Kong dollar	1,805,286	–	1	–	1,805,287
Japanese yen	1,290,210	–	–	–	1,290,210
Norwegian krone	2,840,483	–	23,731	(23,731)	2,840,483
Singapore dollar	5,674,034	–	–	–	5,674,034
Swedish krona	1,727,731	–	–	–	1,727,731
Swiss franc	1,500,939	–	–	–	1,500,939
Thai baht	1,763,334	–	–	–	1,763,334
United States dollar	65,203,986	(367,658)	2,707,433	31,637,724	99,181,485
	102,795,721	(688,381)	2,751,446	37,089,400	141,948,186

Japan Fund	Non-JPY Currency Assets JPY ¥	Non-JPY Currency Liabilities JPY ¥	Non-JPY Cash Balance JPY ¥	Forward Foreign Currency Contracts JPY ¥	Net Non-JPY Currency Assets JPY ¥
Euro	–	–	(639,768)	–	(639,768)
Sterling	–	–	(313,216)	–	(313,216)
Swiss franc	–	–	(144,876)	–	(144,876)
United States dollar	–	–	(1,818,762)	–	(1,818,762)
	–	–	(2,916,622)	–	(2,916,622)

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

Japan Value Fund	Non-JPY Currency Assets JPY ¥	Non-JPY Currency Liabilities JPY ¥	Non-JPY Cash Balance JPY ¥	Forward Foreign Currency Contracts JPY ¥	Net Non-JPY Currency Assets JPY ¥
Euro	193,593,549	(197,822,768)	(1,569,719)	4,089,372,224	4,083,573,286
Sterling	1,581,017	(53,515,763)	(5,719,694)	4,798,188,181	4,740,533,741
Swiss franc	3	(8,549,293)	–	1,039,884,780	1,031,335,490
United States dollar	5,717,763	(42,083,112)	(9,208,245)	11,780,906,994	11,735,333,400
	200,892,332	(301,970,936)	(16,497,658)	21,708,352,179	21,590,775,917

North American Fund	Non-USD Currency Assets US$	Non-USD Currency Liabilities US$	Non-USD Cash Balance US$	Forward Foreign Currency Contracts US$	Net Non-USD Currency Assets US$
Canadian dollar	92,276,888	–	–	–	92,276,888
Euro	203,252	(983,997)	–	152,158,325	151,377,580
Sterling	195,702,126	(12,965,382)	–	(180,479,176)	2,257,568
Swiss franc	–	(567,864)	–	3,095,456	2,527,592
	288,182,266	(14,517,243)	–	(25,225,395)	248,439,628

UK Absolute Equity Fund	Non-GBP Currency Assets GBP£	Non-GBP Currency Liabilities GBP£	Non-GBP Cash Balance GBP£	Forward Foreign Currency Contracts GBP£	Net Non-GBP Currency Assets GBP£
Euro	2,108,830	(1,578,115)	–	222,767,522	223,298,237
United States dollar	37,318	(1,018,225)	–	33,898,390	32,917,483
	2,146,148	(2,596,340)	–	256,665,912	256,215,720

UK Value Opportunities Fund	Non-GBP Currency Assets GBP£	Non-GBP Currency Liabilities GBP£	Non-GBP Cash Balance GBP£	Forward Foreign Currency Contracts GBP£	Net Non-GBP Currency Assets GBP£
Euro	–	(24)	(986)	–	(1,010)
United States dollar	–	(98)	(42,933)	–	(43,031)
	–	(122)	(43,919)	–	(44,041)

If the exchange rate at 31 December 2020 between the individual Funds' base currencies and all other relevant currencies had increased or decreased by 5% with all other variables held constant, this would have decreased or increased net assets attributable to holders of redeemable participating shares of the Funds as set out below:

As at 31 December 2020	Net Non-USD Currency Monetary Assets US$	% Increase/(decrease) in exchange rate	Effect of increase/decrease US$
Asian Opportunities Fund	7,982,443	5	+/- 399,122
Asian Stars Fund	14,056,452	5	+/- 702,823
Automation & Artificial Intelligence Fund	331,640,938	5	+/- 16,582,047
Biotechnology Fund	291,951,921	5	+/- 14,597,596
China Stars Fund	10,414,776	5	+/- 520,739
Emerging Markets Income Fund	94,534,183	5	+/- 4,726,709
Emerging Market Stars Fund	279,647,223	5	+/- 13,982,361
Financial Opportunities Fund	5,407,075	5	+/- 270,354
Global Absolute Return Fund	47,014,542	5	+/- 2,350,727
Global Convertible Fund	506,684,185	5	+/- 25,334,209
Global Technology Fund	2,959,224,626	5	+/- 147,961,231
Healthcare Blue Chip Fund	23,527,402	5	+/- 1,176,370
Healthcare Discovery Fund	9,119,817	5	+/- 455,991
Healthcare Opportunities Fund	511,032,060	5	+/- 25,551,603
North American Fund	169,127,908	5	+/- 8,456,395

As at 31 December 2020	Net Non-JPY Currency Monetary Assets JPY '000	% Increase/(decrease) in exchange rate	Effect of increase/decrease JPY '000
Japan Value Fund	8,623,174,799	5	+/- 431,158,740

As at 31 December 2020	Net Non-GBP Currency Monetary Assets GBP	% Increase/(decrease) in exchange rate	Effect of increase/decrease GBP
Global Insurance Fund	1,354,846,260	5	+/- 67,742,313
Income Opportunities Fund	64,142,908	5	+/- 3,207,145
UK Value Opportunities	9,747,959	5	+/- -487,398

As at 31 December 2020	Net Non-EUR Currency Monetary Assets EUR	% Increase/(decrease) in exchange rate	Effect of increase/decrease EUR
European ex UK Income Fund	85,748,866	5	+/- 4,287,443

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Currency risk continued

As at 31 December 2019	Net Non-USD Currency Monetary Assets US$	% Increase/(decrease) in exchange rate	Effect of increase/decrease US$
Asian Opportunities Fund	25,883,321	5	+/- 1,294,166
Asian Stars Fund	6,149,845	5	+/- 307,492
Automation & Artificial Intelligence Fund	200,065,096	5	+/- 10,003,255
Biotechnology Fund	108,471,541	5	+/- 5,423,577
China Stars Fund	5,623,420	5	+/- 281,171
Emerging Markets Income Fund	128,774,890	5	+/- 6,438,745
Emerging Market Stars Fund	29,456,958	5	+/- 1,472,848
Financial Opportunities Fund	8,546,115	5	+/- 427,306
Global Absolute Return Fund	38,615,557	5	+/- 1,930,778
Global Convertible Fund	375,080,331	5	+/- 18,754,017
Global Technology Fund	1,016,266,340	5	+/- 50,813,317
Healthcare Blue Chip Fund	16,220,110	5	+/- 811,006
Healthcare Opportunities Fund	587,726,197	5	+/- 29,386,310
North American Fund	248,439,628	5	+/- 12,421,981

As at 31 December 2019	Net Non-JPY Currency Monetary Assets JPY '000	% Increase/(decrease) in exchange rate	Effect of increase/decrease JPY '000
Japan Fund	(2,916,622)	5	+/- 145,831
Japan Value Fund	21,590,775,917	5	+/- 1,079,538,796

As at 31 December 2019	Net Non-GBP Currency Monetary Assets GBP	% Increase/(decrease) in exchange rate	Effect of increase/decrease GBP
Global Insurance Fund	1,378,568,452	5	+/- 68,928,423
Income Opportunity Fund (formerly Income Opportunities Fund	141,948,186	5	+/- 7,097,409
UK Absolute Equity Fund	256,215,720	5	+/- 12,810,786
UK Value Opportunities	(44,041)	5	+/- 2,202

As at 31 December 2019	Net Non-EUR Currency Monetary Assets EUR	% Increase/(decrease) in exchange rate	Effect of increase/decrease EUR
European ex UK Income Fund	200,401,432	5	+/- 10,020,072
European Income Fund	(236)	5	+/- 12

Interest rate risk

Most of the Funds' financial assets and liabilities are non-interest bearing and any excess cash and cash equivalents are invested at short term market interest rates. As a result, the Funds are not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates.

The three Funds which invest in interest bearing securities are Global Absolute Return Fund, Global Convertible Fund and Income Opportunities Fund and as such their net asset values are exposed to changes in interest rates, the risk being that if interest rates rise, they will cause the value of the interest-bearing securities component of the Funds' portfolio to decline. These portfolios consist of a variety of positions with varying maturity dates; in general, the longer the period to maturity of the securities, the greater the risk that the net asset value will decline as a result of an increase in interest rates. The Investment Manager regularly monitors the portfolio and particularly the spread of maturity dates and portfolio balances to achieve the investment objective in line with change in interest rates.

As part of its monitoring process the Investment Manager, when looking at individual bonds and the portfolios as a whole, will consider their sensitivity to changes in interest rates. This will include taking into account their position in the capital structure, whether they have fixed maturities or are perpetual, and whether they have call dates. If they have call dates, the terms if not called will be considered, whether fixed or floating, and what margin over LIBOR the bond will yield if not called. The Investment Manager will also compare the yield on corporate bonds relative to government bonds and the impact that this may have in increasing or reducing the sensitivity of the portfolio to moves in interest rates.

Global Absolute Return Fund

31 December 2020	Less than 1 month (US$)	1 month – 1 year (US$)	Greater than 1 year (US$)	Non-Interest bearing (GBP£)	Total US$
Financial assets at fair value through profit or loss	–	–	37,433,458	14,177,268	51,610,726
Cash at bank	214,045	–	–		214,045
Other debtors	–	–	–	113,209	113,209
Financial derivative instruments	–	–	–	(3,219,817)	(3,219,817)
Fees and sundry creditors payable	–	–	–	(1,651,822)	(1,651,822)
Total	214,045	–	37,433,458	9,418,838	47,066,341

31 December 2019	Less than 1 month (US$)	1 month – 1 year (US$)	Greater than 1 year (US$)	Non–Interest bearing (GBP£)	Total US$
Financial assets at fair value through profit or loss	–	1,143,247	33,661,528	31,370,069	66,174,844
Amounts receivable on sale of redeemable participating shares	–	–	–	36,365	36,365
Amounts receivable on sale of securities				2,238,785	2,238,785
Cash at bank	(23,058,130)	–	–		(23,058,130)
Margin receivable	–			3,640,834	3,640,834
Other debtors	–	–	–	165,972	165,972
Financial derivative instruments	–	–	–	(1,340,638)	(1,340,638)
Fees and sundry creditors payable	–	–	–	(2,440,676)	(2,440,676)
Total	(23,058,130)	1,143,247	33,661,528	33,670,711	45,417,356

As at 31 December 2020, should interest rates have fallen by 0.25%, with all other variables remaining constant, the increase in net assets attributable to the holders of redeemable shares would amount to approximately 0.30% (31 December 2019: 0.37%). An equal change in interest rates in the opposite direction would have decreased net assets attributable to the holders of redeemable shares by 0.30% (31 December 2019: 0.36%).

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Interest rate risk

Global Convertible Fund

31 December 2020	Less than 1 month (US$)	1 month – 1 year (US$)	Greater than 1 year (US$)	Non-Interest bearing (US$)	Total US$
Financial assets at fair value through profit or loss	–	–	724,444,802	415,875,927	1,140,320,729
Amounts receivable on sale of redeemable participating shares	–	–	–	1,277,215	1,277,215
Amounts receivable on sale of securities	–	–	–	13,694,099	13,694,099
Cash at bank	(64,087,192)	–	–	–	(64,087,192)
Other debtors	–	–	–	3,885,379	3,885,379
Financial derivative instruments	–	–	–	(38,093,993)	(38,093,993)
Fees and sundry creditors payable	–	–	–	(9,166,636)	(9,166,636)
Total	(64,087,192)	–	724,444,802	387,471,991	1,047,829,601

31 December 2019	Less than 1 month (US$)	1 month – 1 year (US$)	Greater than 1 year (US$)	Non-Interest bearing (US$)	Total US$
Financial assets at fair value through profit or loss	–	46,873,607	675,614,159	219,004,305	941,492,071
Amounts receivable on sale of redeemable participating shares	–	–	–	779,135	779,135
Cash at bank	(10,394,065)	–	–	–	(10,394,065)
Margin receivable	4,280,787	–	–	–	4,280,787
Margin cash	–	–	–	4,714,039	4,714,039
Other debtors	–	–	–	3,133,548	3,133,548
Financial derivative instruments	–	–	–	(5,334,260)	(5,334,260)
Fees and sundry creditors payable	–	–	–	(20,054,660)	(20,054,660)
Total	(6,113,278)	46,873,607	675,614,159	202,242,107	918,616,595

As at 31 December 2020 should interest rates have fallen by 0.25%, with all other variables remaining constant, the increase in net assets attributable to the holders of redeemable shares would amount to approximately 0.35% (31 December 2019: 0.44%). An equal change in interest rates in the opposite direction would have decreased net assets attributable to the holders of redeemable shares for the period by 0.36% (31 December 2018: 0.44%).

Income Opportunities Fund

31 December 2020	Less than 1 month (GBP£)	1 month – 1 year (GBP£)	Greater than 1 year (GBP£)	Non-Interest bearing (GBP£)	Total GBP£
Financial assets at fair value through profit or loss	–	–	15,531,541	44,590,667	60,122,208
Amounts receivable on sale of redeemable participating shares	–	–	–	2,200	2,200
Amounts receivable on sale of securities				210,122	210,122
Cash at bank	617,784	–	–	–	617,784
Margin cash	–	–	–	71,626	71,626
Other debtors	–	–	–	215,450	215,450
Financial derivative instruments	–	–	–	(577,225)	(577,225)
Fees and sundry creditors payable	–	–	–	(982,551)	(982,551)
Total	617,784	–	15,531,541	43,530,289	59,679,614

31 December 2019	Less than 1 month (GBP£)	1 month – 1 year (GBP£)	Greater than 1 year (GBP£)	Non-Interest bearing (GBP£)	Total GBP£
Financial assets at fair value through profit or loss	-	2,628,497	41,341,501	107,261,015	151,231,013
Amounts receivable on sale of redeemable participating shares	-	-	-	21,611	21,611
Amounts receivable on sale of securities				17,012	17,012
Cash at bank	10,699,332	-	-	-	10,699,332
Margin cash	-	-	-	2,511,734	2,511,734
Other debtors	-	-	-	841,564	841,564
Financial derivative instruments	-	-	-	(425,613)	(425,613)
Fees and sundry creditors payable	-	-	-	(738,101)	(738,101)
Total	10,699,332	2,628,497	41,341,501	109,489,222	164,158,552

As at 31 December 2020, should interest rates have fallen by 0.25%, with all other variables remaining constant, the increase in net assets attributable to the holders of redeemable shares would amount to approximately 0.23% (31 December 2019: 0.13%). An equal change in interest rates in the opposite direction would have decreased net assets attributable to the holders of redeemable shares by 0.22% (31 December 2019: 0.54%).

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The majority of the Funds' financial assets are equity securities. As a result, they are not subject to significant amounts of credit risk.

The credit rating of the fixed income securities held in the three Funds that do invest in debt securities were as follows at 31 December 2020:

	31 December 2020		31 December 2019	
Global Absolute Return Fund	**% Holding**	**Value US$**	**% Holding**	**Value US$**
A	3.15%	1,484,975	0.93%	420,470
A-	–	–	10.62%	4,820,883
BBB	2.60%	1,224,095	2.42%	1,100,936
BB+	–	–	1.05%	479,402
BB-	–	–	4.20%	1,905,861
B+	–	–	1.60%	725,133
B-	–	–	0.28%	127,714
CCC+	3.22%	1,514,594	–	–
NR	100.68%	47,386,094	98.61%	44,791,765
Total	109.65%	51,609,757	119.71%	54,372,164

	31 December 2020		31 December 2019	
Global Convertible Fund	**% Holding**	**Value US$**	**% Holding**	**Value US$**
A+	–	–	–	–
A	2.47%	25,912,103	–	–
A-	1.51%	15,814,017	–	–
BBB+	0.97%	10,172,033	–	–
BBB	0.98%	10,282,395	3.81%	34,956,330
BBB-	1.60%	16,719,459	–	–
BB+	–	–	2.45%	22,531,894
BB	0.80%	8,389,921	–	–
BB-	2.24%	23,441,314	2.96%	27,178,616
B+	–	–	2.65%	24,372,500
B	–	–	–	–
B-	–	–	2.02%	18,518,514
CCC+	–	–	–	–
NR	87.50%	916,876,689	84.83%	779,299,104
Total	98.07%	1,027,607,931	98.72%	906,856,958

	31 December 2020		31 December 2019	
Income Opportunities Fund	**% Holding**	**Value GBP£**	**% Holding**	**Value GBP£**
AAA	–	–	–	–
AA-	–	–	–	–
A+	–	–	0.37%	601,679
A	–	–	–	–
A-	–	–	–	–
BBB+	4.58%	2,732,267	4.39%	7,207,344
BBB	0.87%	517,933	0.84%	1,387,882
BBB-	–	–	1.37%	2,246,921
BB+	7.75%	4,628,916	2.44%	4,007,114
BB	–	–	0.62%	1,018,169
BB-	1.63%	973,589	–	–
B	–	–	3.03%	4,966,226
NR	17.27%	10,307,208	16.50%	27,087,418
Total	32.10%	19,159,913	29.56%	48,522,753

Credit risk on settlement

Transactions in securities are generally settled or paid for on delivery or cleared through the appropriate clearing system for the market on which the securities are traded. The risk of default is not considered to be material, as delivery of securities sold is only made once the Depositary has received confirmation of payment. Payment is also only made on a purchase once confirmation of delivery of the securities has been received by the Depositary. The trade will fail if either party fails to deliver the required confirmations.

Credit risk on cash and receivables

The Company has an exposure for cash at bank, margin cash and margin receivable as an unsecured creditor to either counterparty risk or the Depositary which would involve a significant risk of loss in the event of a default by either. Credit risk for sundry debtors is considered immaterial.

At 31 December 2020 and 31 December 2019, none of the Funds' financial assets were past due or impaired.

The Investment Manager monitors each Fund's credit exposure, where relevant to the Fund's investment strategy, on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on significant exposures at its periodic meetings.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Credit risk continued

Credit risk statement

The Depositary is responsible for the safe-keeping of assets. The Depositary has appointed The Northern Trust Company ('TNTC') as its global sub-custodian. Both the Depositary and TNTC are wholly owned subsidiaries of Northern Trust Corporation ('NTC'). As at 31 December 2020, NTC had a long-term credit rating from Standard & Poor's of A+ (31 December 2019: A+).

TNTC, in the discharge of its delegated depositary duties, holds in custody (i) all financial instruments that may be registered in a financial instruments account opened on the books of TNTC and (ii) all financial instruments that can be physically delivered to TNTC. TNTC ensures all financial instruments (held in a financial instruments account on the books of TNTC) are held in segregated accounts in the name of the Fund, clearly identifiable as belonging to the Fund, and distinct and separately from the proprietary assets of TNTC, Depositary and NTC.

In addition, TNTC, as banker, holds cash of the Funds on deposit. Such cash is held on the balance sheet of TNTC. In the event of insolvency of TNTC, in accordance with standard banking practice, the Fund will rank as an unsecured creditor of TNTC in respect of any cash deposits.

Insolvency of Depositary and or one of its agents or affiliates may cause the Fund's rights with respect to its assets to be delayed or may result in the Company not receiving the full value of its assets.

As per Note 2 (E), Cash at bank and bank overdraft balances are comprised of cash balances held at TNTC. As at 31 December 2020 cash was held with counterparties and brokers as follows:

China Stars: US$6,470 (31 December 2019: US$Nil)

Global Absolute Return Fund: US$Nil (31 December 2019: US$3,640,834)

Global Convertible Fund: US$Nil (31 December 2019: US$8,994,826)

Global Technology Fund: GBP9,919,032 (31 December 2019: GBP32,736,764)

Healthcare Opportunities Fund: US$20,502,228 (31 December 2019: US$23,186,649)

Income Opportunities Fund GBP71,626 (31 December 2019 GBP1,600,769)

UK Value Opportunities Fund: GBP17,668 (31 December 2019: GBP17,690))

The Funds' counterparties and brokers had the following long-term credit ratings from Standard & Poor's as at 31 December 2020:

Credit Suisse Securities (Europe) Limited: A+ (31 December 2019: A+).

UBS AG: A+ (31 December 2019: A+).

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities as they fall due.

The Funds are exposed to daily cash redemptions of redeemable participating shares. The Funds invest the majority of their assets in securities and other instruments that are traded on an active market and which are considered to be liquid as under normal market conditions, they can be readily disposed of in the event that cash needs to be raised to meet redemptions or to pay expenses.

In accordance with Company policy, the Investment Manager monitors the Funds' liquidity on a daily basis and reports regularly to the Board of Directors, which reviews the information provided by the Investment Manager on significant exposures at its periodic meetings.

The Funds' listed securities are considered to be readily realisable as they are principally listed on major European, Asian and US stock exchanges. At 31 December 2020 and 31 December 2019, the Funds all held liquid assets and liabilities that could be realised in less than one month. The residual contractual maturities of financial liabilities held by the Funds are all within 3 months.

Offsetting Financial Instruments

The Company has not offset any financial assets and financial liabilities in the Statement of Financial Position. Financial assets and financial liabilities which are subject to enforceable master netting arrangements are detailed in the tables below.

Global Absolute Return Fund	Gross amounts of recognised assets 2020 US$	Gross amounts offset in the statement of financial position 2020 US$	Net amount presented on the statement of financial position 2020 US$	Related amounts not set off in the Statement of Financial Position		Net amount 2020 US$
				Financial instruments 2020 US$	Cash collateral pledged / received 2020 US$	
Assets						
Contracts for difference	176,126	–	176,126	(176,126)	–	–
Futures contracts	–	–	–	–	–	–
Forward foreign currency contracts	882,099	–	882,099	(13,670)	–	868,429
Total	1,058,225	–	1,058,225	(189,796)	–	868,429
Liabilities						
Contracts for difference	(4,223,422)	–	(4,223,422)	176,126	–	(4,047,296)
Futures contracts	(40,950)	–	(40,950)	–	–	(40,950)
Forward foreign currency contracts	(13,670)	–	(13,670)	13,670	–	–
Total	(4,278,042)	–	(4,278,042)	189,796	–	(4,088,246)

Global Absolute Return Fund	Gross amounts of recognised assets 2019 US$	Gross amounts offset in the statement of financial position 2019 US$	Net amount presented on the statement of financial position 2019 US$	Related amounts not set off in the Statement of Financial Position		Net amount 2019 US$
				Financial instruments 2019 US$	Cash collateral pledged / received 2019 US$	
Assets						
Contracts for difference	225,480	–	225,480	(225,480)	–	–
Futures contracts	–	–	–	–	–	–
Forward foreign currency contracts	537,925	–	537,925	(7)	–	537,918
Total	763,405	–	763,405	(225,487)	–	537,918
Liabilities						
Contracts for difference	(2,104,036)	–	(2,104,036)	225,480	–	(1,878,556)
Futures contracts		–	–	–	–	–
Forward foreign currency contracts	(7)	–	(7)	7	–	–
Total	(2,104,043)	–	(2,104,043)	225,487	–	(1,878,556)

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Offsetting Financial Instruments continued

Global Convertible Fund	Gross amounts of recognised assets 2020 US$	Gross amounts offset in the statement of financial position 2020 US$	Net amount presented on the statement of financial position 2020 US$	Related amounts not set off in the Statement of Financial Position: Financial instruments 2020 US$	Related amounts not set off in the Statement of Financial Position: Cash collateral pledged / received 2020 US$	Net amount 2020 US$
Assets						
Contracts for difference	1,579,155	–	1,579,155	(1,579,155)	–	–
Futures contracts	1,170,550	–	1,170,550	(487,276)	–	683,274
Forward foreign currency contracts	4,503,091	–	4,503,091	(105,865)	–	4,397,226
Total	7,252,796	–	7,252,796	(2,172,296)	–	5,080,500
Liabilities						
Contracts for difference	(44,753,648)	–	(44,753,648)	1,579,155	–	(43,174,493)
Futures contracts	(487,276)	–	(487,276)	487,276	–	–
Forward foreign currency contracts	(105,865)	–	(105,865)	105,865	–	–
Total	(45,346,789)	–	(45,346,789)	2,172,296	–	(43,174,493)

Global Convertible Fund	Gross amounts of recognised assets 2019 US$	Gross amounts offset in the statement of financial position 2019 US$	Net amount presented on the statement of financial position 2019 US$	Related amounts not set off in the Statement of Financial Position: Financial instruments 2019 US$	Related amounts not set off in the Statement of Financial Position: Cash collateral pledged / received 2019 US$	Net amount 2019 US$
Assets						
Contracts for difference	388,759	–	388,759	(388,759)	–	–
Futures contracts	1,074,094	–	1,074,094	–	–	1,074,094
Forward foreign currency contracts	2,361,886	–	2,361,886	(49,256)	–	2,312,630
Total	3,824,739	–	3,824,739	(438,015)	–	3,386,724
Liabilities						
Contracts for difference	(9,109,743)	–	(9,109,743)	388,759	–	(8,720,984)
Futures contracts	–	–	–	–	–	–
Forward foreign currency contracts	(49,256)	–	(49,256)	49,256	–	–
Total	(9,158,999)	–	(9,158,999)	438,015	–	(8,720,984)

Global Convertible Fund is party to an ISDA Master Agreement with UBS AG, which was signed on 30 August 2013. The existing Agreement was amended by adding Global Absolute Return Fund on 31 December 2018.

Fair value hierarchy

Financial assets and financial liabilities at fair value through profit and loss are valued at fair value at the Statement of Financial Position date. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the Statement of Comprehensive Income within 'Net gain/loss on financial assets and financial liabilities at fair value through profit or loss' in the period in which they arise. Fair value is the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

In determining fair value, securities which are quoted, listed or traded on a recognised exchange will be valued at the last traded price (or, if no last traded price is available, at the mid-market price).

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques.

For instruments for which there is no active market, the Company may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry.

Valuation models are used primarily to value unlisted equities, for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The table below sets out fair value measurements using the fair value hierarchy:

Financial assets and liabilities at fair value through profit or loss as at 31 December 2020

Asian Opportunities Fund	Total US$	Level 1 US$	Level 2 US$	Level 3 US$
Assets				
Equity investments	8,030,649	8,030,649	–	–
Forward foreign currency contracts	6,111	–	6,111	
Total	8,036,760	8,030,649	6,111	–
Liabilities				
Forward foreign currency contracts	(6)	–	(6)	–
Total	(6)	–	(6)	–

Asian Stars Fund	US$	US$	US$	US$
Assets				
Equity investments	17,352,888	17,352,888	–	–
Total	17,352,888	17,352,888	–	–

Automation & Artificial Intelligence Fund	US$	US$	US$	US$
Assets				
Equity investments	728,735,691	728,735,691	–	–
Total	728,735,691	728,735,691	–	–

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Fair value hierarchy continued

Financial assets and liabilities at fair value through profit or loss as at 31 December 2020 continued

Biotechnology Fund	Total US$	Level 1 US$	Level 2 US$	Level 3 US$
Assets				
Equity investments	1,165,403,819	1,165,403,819	–	–
Forward foreign currency contracts	245,891	–	245,891	–
Total	1,165,649,710	1,165,403,819	245,891	–
Liabilities				
Forward foreign currency contracts	(1,171)	–	(1,171)	–
Total	(1,171)	–	(1,171)	–

China Stars Fund	US$	US$	US$	US$
Assets				
Equity investments	13,305,341	13,305,341	–	–
Options	90	–	90	–
Total	13,305,431	13,305,341	–	–

Emerging Markets Income Fund	US$	US$	US$	US$
Assets				
Equity investments	103,152,112	103,152,112	–	–
Forward foreign currency contracts	7,030	–	7,030	–
Total	103,159,142	103,152,112	7,030	–
Liabilities				
Forward foreign currency contracts	(6,893)	–	(6,893)	–
	(6,893)	–	(6,893)	–

Emerging Market Stars Fund	US$	US$	US$	US$
Assets				
Equity investments	362,968,186	362,968,186	–	–
Total	362,968,186	362,968,186	–	–

European ex UK Income Fund	EUR€	EUR€	EUR€	EUR€
Assets				
Equity investments	189,702,354	189,702,354	–	–
Warrants	26,210	–	26,210	–
Forward foreign currency contracts	866,971	–	866,971	–
Total	190,595,535	189,702,354	893,181	–

Financial Opportunities Fund	Total US$	Level 1 US$	Level 2 US$	Level 3 US$
Assets				
Equity investments	10,420,659	10,420,659	–	–
Total	10,420,659	10,420,659	–	–

Global Absolute Return Fund	US$	US$	US$	US$
Assets				
Corporate bonds	51,609,757	–	51,609,757	–
Warrants	969	–	969	–
Contracts for difference	176,126	–	176,126	–
Forward foreign currency contracts	882,099	–	882,099	–
Total	52,668,951	–	52,668,951	
Liabilities				
Contracts for difference	(4,223,422)	–	(4,223,422)	–
Forward foreign currency contracts	(13,670)	–	(13,670)	–
Futures contracts	(40,950)	(40,950)	–	–
Total	(4,278,042)	(40,950)	(4,237,092)	–

Global Convertible Fund	US$	US$	US$	US$
Assets				
Corporate bonds	1,027,607,931	–	1,027,607,931	–
Equity investments	112,712,798	112,712,798	–	–
Contracts for difference	1,579,155	–	1,579,155	–
Forward foreign currency contracts	4,503,091	–	4,503,091	–
Futures contracts	1,170,550	1,170,550	–	–
Total	1,147,573,525	113,883,348	1,033,690,177	–
Liabilities				
Contracts for difference	(44,753,648)	–	(44,753,648)	–
Forward foreign currency contracts	(105,865)	–	(105,865)	–
Futures contracts	(487,276)	(487,276)	–	–
Total	(45,346,789)	(487,276)	(44,859,513)	–

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Fair value hierarchy continued

Financial assets and liabilities at fair value through profit or loss as at 31 December 2020 continued

Global Insurance Fund	Total GBP£	Level 1 GBP£	Level 2 GBP£	Level 3 GBP£
Assets				
Investment funds	24,063,913	–	24,063,913	–
Equity investments	1,520,706,081	1,520,706,081	–	–
Forward foreign currency contracts	1,054	–	1,054	–
Total	1,544,771,048	1,520,706,081	24,064,967	–
Liabilities				
Forward foreign currency contracts	(354,981)	–	(354,981)	–
Total	(354,981)	–	(354,981)	–

Global Technology Fund	US$	US$	US$	US$
Assets				
Equity investments	7,831,220,695	7,831,220,695	–	–
Forward foreign currency contracts	6,590,906	–	6,590,906	–
Options	50,287,000	–	50,287,000	–
Total	7,888,098,601	7,831,220,695	56,877,906	–
Liabilities				
Forward foreign currency contracts	(27,157)	–	(27,157)	–
Total	(27,157)	–	(27,157)	–

Healthcare Blue Chip Fund	US$	US$	US$	US$
Assets				
Equity investments	86,369,420	86,369,420	–	–
Forward foreign currency contracts	48	–	48	–
Total	86,369,468	86,369,420	48	–

Healthcare Discovery	US$	US$	US$	US$
Assets				
Equity investments	45,272,115	45,272,115	–	–
Total	45,272,115	45,272,115	–	–

Healthcare Opportunities Fund	Total US$	Level 1 US$	Level 2 US$	Level 3 US$
Assets				
Equity investments	2,104,298,240	2,104,298,240	–	–
Forward foreign currency contracts	92,664	–	92,664	–
Total	2,104,390,904	2,104,298,240	92,664	–
Liabilities				
Forward foreign currency contracts	(7)	–	(7)	–
Total	(7)	–	(7)	–

Income Opportunities Fund	GBP£	GBP£	GBP£	GBP£
Assets				
Corporate bonds	19,159,913	–	19,159,913	–
Equity investments	40,962,295	40,962,295	–	–
Total	60,122,208	40,962,295	19,159,913	–
Liabilities				
Forward foreign currency contracts	(563,225)	–	(563,225)	–
Futures contracts	(14,000)	(14,000)	–	–
Total	(577,225)	(14,000)	(563,225)	–

Japan Value Fund	JPY ¥	JPY ¥	JPY ¥	JPY ¥
Assets				
Equity investments	17,653,006,900	17,653,006,900	–	–
Forward foreign currency contracts	39,004,928	–	39,004,928	–
Total	17,692,011,828	17,653,006,900	39,004,928	–
Liabilities				
Forward foreign currency contracts	(6,355,778)		(6,355,778)	
Total	(6,355,778)	–	(6,355,778)	–

North American Fund	US$	US$	US$	US$
Assets				
Equity investments	1,027,053,531	1,027,053,531	–	–
Forward foreign currency contracts	1,745,802	–	1,745,802	–
Total	1,028,799,333	1,027,053,531	1,745,802	–
Liabilities				
Forward foreign currency contracts	(578)	–	(578)	–
Total	(578)	–	(578)	–

UK Value Opportunities Fund	GBP£	GBP£	GBP£	GBP£
Assets				
Equity investments	1,125,618,319	1,125,618,319	–	–
Total	1,125,618,319	1,125,618,319	–	–

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Fair value hierarchy continued

Financial assets and liabilities at fair value through profit or loss as at 31 December 2019

Asian Opportunities Fund	Total US$	Level 1 US$	Level 2 US$	Level 3 US$
Assets				
Equity investments	28,326,748	28,326,748	–	–
Forward foreign currency contracts	8,729	–	8,729	
Total	28,335,477	28,326,748	8,729	–

Asian Stars Fund	US$	US$	US$	US$
Assets				
Equity investments	7,164,695	7,164,695	–	–
Total	7,164,695	7,164,695	–	–

Automation & Artificial Intelligence Fund	US$	US$	US$	US$
Assets				
Equity investments	433,364,463	433,364,463	–	–
Total	433,364,463	433,364,463	–	–

Biotechnology Fund	US$	US$	US$	US$
Assets				
Equity investments	530,600,185	530,600,185	–	–
Forward foreign currency contracts	94,346	–	94,346	–
Total	530,694,531	530,600,185	94,346	–
Liabilities				
Forward foreign currency contracts	(285)	–	(285)	–
Total	(285)	–	(285)	–

China Stars Fund	US$	US$	US$	US$
Assets				
Equity investments	7,388,146	7,388,146	–	–
Total	7,388,146	7,388,146	–	–

Emerging Markets Income Fund	US$	US$	US$	US$
Assets				
Equity investments	144,281,216	144,281,216	–	–
Total	144,281,216	144,281,216	–	–

Emerging Market Stars Fund	Total US$	Level 1 US$	Level 2 US$	Level 3 US$
Assets				
Equity investments	41,679,540	41,679,540	–	–
Total	41,679,540	41,679,540	–	–

European ex UK Income Fund	EUR€	EUR€	EUR€	EUR€
Assets				
Equity investments	264,648,343	264,648,343	–	–
Forward foreign currency contracts	1,197,067	–	1,197,067	–
Total	265,845,410	264,648,343	1,197,067	–
Liabilities				
Forward foreign currency contracts	(31,609)	–	(31,609)	–
Total	(31,609)	–	(31,609)	–

Financial Opportunities Fund	US$	US$	US$	US$
Assets				
Equity investments	18,412,308	18,412,308	–	–
Total	18,412,308	18,412,308	–	–

Global Absolute Return Fund	US$	US$	US$	US$
Assets				
Corporate bonds	54,372,164	–	54,372,164	–
Investment funds	3,900,000	–	3,900,000	–
Equity investments	7,798,700	7,798,700	–	–
Warrants	103,980	–	103,980	–
Contracts for difference	225,480	–	225,480	–
Forward foreign currency contracts	537,925	–	537,925	–
Total	66,938,249	7,798,700	59,139,549	
Liabilities				
Contracts for difference	(2,104,036)	–	(2,104,036)	–
Forward foreign currency contracts	(7)	–	(7)	–
Total	(2,104,043)	–	(2,104,043)	–

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Fair value hierarchy continued

Financial assets and liabilities at fair value through profit or loss as at 31 December 2019 continued

Global Convertible Fund	Total US$	Level 1 US$	Level 2 US$	Level 3 US$
Assets				
Corporate bonds	906,856,958	–	906,856,958	–
Equity investments	30,894,850	30,894,850	–	–
Warrants	3,740,263	–	3,740,263	–
Contracts for difference	388,759	–	388,759	–
Forward foreign currency contracts	2,361,886	–	2,361,886	–
Futures contracts	1,074,094	1,074,094	–	–
Total	945,316,810	31,968,944	913,347,866	
Liabilities				
Contracts for difference	(9,109,743)	–	(9,109,743)	–
Forward foreign currency contracts	(49,256)	–	(49,256)	–
Total	(9,158,999)	–	(9,158,999)	–

Global Insurance Fund	GBP£	GBP£	GBP£	GBP£
Assets				
Investment funds	27,695,080	–	27,695,080	–
Equity investments	1,497,590,268	1,497,590,268	–	–
Total	1,525,285,348	1,497,590,268	27,695,080	–
Liabilities				
Forward foreign currency contracts	(176,702)	–	(176,702)	–
Total	(176,702)	–	(176,702)	–

Global Technology Fund	US$	US$	US$	US$
Assets				
Equity investments	3,491,422,560	3,491,422,560	–	–
Forward foreign currency contracts	3,644,066	–	3,644,066	–
Options	14,796,900	–	14,796,900	–
Total	3,509,863,526	3,491,422,560	18,440,966	–
Liabilities				
Forward foreign currency contracts	(16,612)	–	(16,612)	–
Total	(16,612)	–	(16,612)	–

Healthcare Blue Chip Fund	Total US$	Level 1 US$	Level 2 US$	Level 3 US$
Assets				
Equity investments	90,377,247	90,377,247	–	–
Forward foreign currency contracts	27	–	27	–
Total	90,377,274	90,377,247	27	–

Healthcare Opportunities Fund	US$	US$	US$	US$
Assets				
Equity investments	1,632,993,616	1,632,993,616	–	–
Total	1,632,993,616	1,632,993,616	–	–

Income Opportunities Fund	GBP£	GBP£	GBP£	GBP£
Assets				
Corporate bonds	48,522,753	–	48,522,753	–
Equity investments	102,708,260	102,708,260	–	–
Futures contracts	128,638	128,638	–	–
Total	151,359,651	102,836,898	48,522,753	–
Liabilities				
Forward foreign currency contracts	(526,251)	–	(526,251)	–
Futures contracts	(28,000)	(28,000)	–	–
Total	(554,251)	(28,000)	(526,251)	–

Japan Value Fund	JPY ¥	JPY ¥	JPY ¥	JPY ¥
Assets				
Equity investments	37,571,492,990	37,571,492,990	–	–
Forward foreign currency contracts	53,021,007	–	53,021,007	–
Total	37,624,513,997	37,571,492,990	53,021,007	–
Liabilities				
Forward foreign currency contracts	(388,815)		(388,815)	
Total	(388,815)	–	(388,815)	–

North American Fund	US$	US$	US$	US$
Assets				
Investment funds	26,650,000		26,650,000	
Equity investments	1,990,984,295	1,990,984,295	–	–
Forward foreign currency contracts	3,719,977	–	3,719,977	–
Total	2,021,354,272	1,990,984,295	30,369,977	–
Liabilities				
Forward foreign currency contracts	(17,989)	–	(17,989)	–
Total	(17,989)	–	(17,989)	–

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

10. Financial Risk Management continued

Fair value hierarchy continued

Financial assets and liabilities at fair value through profit or loss as at 31 December 2019 continued

UK Absolute Equity Fund	Total GBP£	Level 1 GBP£	Level 2 GBP£	Level 3 GBP£
Assets				
Equity investments	407,957,888	407,957,888	–	–
Contracts for difference	31,395,453	–	31,395,453	–
Forward foreign currency contracts	3,066	–	3,066	–
Total	439,356,407	407,957,888	31,398,519	–
Liabilities				
Contracts for difference	(15,197,685)	–	(15,197,685)	–
Forward foreign currency contracts	(1,562,871)	–	(1,562,871)	–
Futures contracts	(48,775)	(48,775)	–	–
Total	(16,809,331)	(48,775)	(16,760,556)	–

UK Value Opportunities Fund	GBP£	GBP£	GBP£	GBP£
Assets				
Equity investments	1,198,420,311	1,198,420,311	–	–
Total	1,198,420,311	1,198,420,311	–	–

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

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

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

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

There are no assets held in level 3 at 31 December 2020 (31 December 2019: Nil). In addition, there were no transfers between level 1 and level 2 of the fair value hierarchy during the financial year from 1 January 2020 to 31 December 2020 and 1 January 2019 to 31 December 2019.

The valuation techniques used by the Company are explained in the accounting policies described in Note 2.

11. Cross/Segregated Liability

The Company is an umbrella fund investment company with segregated liability between the Funds of the Company. Under Irish law, being the law applicable to the Company, this should result in any liabilities attributable to any Fund being borne solely by that Fund in the event of any insolvency.

12. Comparative Figures

Asian Opportunities Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class A US Dollar Distribution	$6,977,637	$27,824,753	$39,338,816
Class I Euro Distribution	€36,735	€54,314	€65,946
Class I Euro Hedged Distribution	€91,806	€384,743	€952,728
Class I Sterling Distribution	£151,027	£500,701	£61,998
Class I Sterling Hedged Distribution	£185,888	£334,436	£478,542
Class I US Dollar Distribution	$777,006	$109,773	$81,482
	NAV per share	**NAV per share**	**NAV per share**
Class A US Dollar Distribution	$456.12	$407.25	$346.04
Class I Euro Distribution	€13.07	€12.60	€10.45
Class I Euro Hedged Distribution	€14.50	€13.05	€11.37
Class I Sterling Distribution	£11.75	£10.71	£9.37
Class I Sterling Hedged Distribution	£14.87	£13.46	£11.59
Class I US Dollar Distribution	$16.04	$14.14	$11.97

Asian Stars Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€55,004	€1,289	€1,143
Class I Sterling Accumulation	£997,743	£1,853	£1,274
Class I US Dollar Accumulation	$1,784,145	$272,940	$1,000
Class R Euro Accumulation	€1,679	€1,282	€1,143
Class R Sterling Accumulation	£1,675	£1,211	£1,274
Class R US Dollar Accumulation	$1,797	$1,259	$1,000
Class S Euro Accumulation	€1,704	€1,291	€1,143
Class S Sterling Accumulation	£1,701	£1,220	£1,274
Class S US Dollar Accumulation	$14,219,448	$6,922,395	$10,000,000
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€14.81	€11.28	€10.00
Class I Sterling Accumulation	£13.26	£9.56	£10.00
Class I US Dollar Accumulation	$18.12	$12.66	$10.00
Class R Euro Accumulation	€14.69	€11.22	€10.00
Class R Sterling Accumulation	£13.15	£9.51	£10.00
Class R US Dollar Accumulation	$17.97	$12.59	$10.00
Class S Euro Accumulation	€14.91	€11.30	€10.00
Class S Sterling Accumulation	£13.35	£9.58	£10.00
Class S US Dollar Accumulation	$18.24	$12.69	$10.00

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

Automation & Artificial Intelligence Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€16,995,934	€9,822,814	€3,288,129
Class I Sterling Accumulation	£87,344,099	£33,023,912	£24,981,385
Class I US Dollar Accumulation	$70,684,023	$30,103,462	$6,864,627
Class R Euro Accumulation	€17,320,649	€1,406,585	€476,687
Class R US Dollar Accumulation	$29,014,386	$17,890,123	$11,384,221
Class S Euro Accumulation	€1,264,103	€1,969,041	€353,242
Class S Sterling Accumulation	£157,291,976	£237,703,144	£200,919,640
Class S US Dollar Accumulation	$16,539,799	$11,380,676	$9,681,669
Class Z Sterling Accumulation	£189,606,197.75	£1,212.00	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€14.58	€11.43	€8.04
Class I Sterling Accumulation	£13.05	£9.69	£7.22
Class I US Dollar Accumulation	$17.84	$12.83	$9.19
Class R Euro Accumulation	€14.38	€11.33	€8.01
Class R US Dollar Accumulation	$17.60	$12.72	$9.16
Class S Euro Accumulation	€14.66	€11.49	€8.08
Class S Sterling Accumulation	£13.12	£9.73	£7.25
Class S US Dollar Accumulation	$17.94	$12.90	$9.24
Class Z Sterling Accumulation	£16.86	£12.12	N/A

Biotechnology Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Distribution	€115,519,885	€64,169,754	€31,934,011
Class I Sterling Distribution	£155,235,218	£84,209,344	£65,294,784
Class I Sterling Hedged Distribution	£7,348,046	£4,847,709	£2,650,240
Class I US Dollar Distribution	$397,389,901	$156,959,893	$162,725,590
Class R Euro Distribution	€126,218,688	€49,376,939	€29,785,528
Class R Sterling Distribution	£6,413,725	£3,595,457	£3,227,520
Class R US Dollar Distribution	$324,716,051	$137,577,143	$105,730,895
Class S Euro Distribution	€425,699	€252,834	€141,622
Class S Sterling Distribution	£341,291	£106,122	£49,600
Class S US Dollar Distribution	$6,575,820	$481,086	$388,969

Biotechnology Fund continued	NAV per share 31 December 2020	NAV per share 31 December 2019	NAV per share 31 December 2018
Class I Euro Distribution	€32.09	€24.84	€18.58
Class I Sterling Distribution	£28.73	£21.05	£16.67
Class I Sterling Hedged Distribution	£16.06	£11.66	£9.05
Class I US Dollar Distribution	$39.27	$27.88	$21.24
Class R Euro Distribution	€31.04	€24.13	€18.13
Class R Sterling Distribution	£27.78	£20.45	£16.27
Class R US Dollar Distribution	$37.98	$27.09	$20.72
Class S Euro Distribution	€32.62	€25.20	€18.80
Class S Sterling Distribution	£29.19	£21.35	£16.87
Class S US Dollar Distribution	$39.91	$28.29	$21.49

China Stars Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€153,685	€1,177	€881
Class I Sterling Accumulation	£1,646,465	£93,240	£883
Class I US Dollar Accumulation	$584,747	$1,136	$866
Class R Euro Accumulation	€113,099	€1,170	€879
Class R Sterling Accumulation	£1,553	£1,106	£882
Class R US Dollar Accumulation	$592,119	$238,631	$864
Class S Euro Accumulation	€5,460	€1,184	€881
Class S Sterling Accumulation	£187,121	£132,114	£82,370
Class S US Dollar Accumulation	$9,955,813	$6,871,675	$8,670,000
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€13.47	€10.12	€7.58
Class I Sterling Accumulation	£12.06	£8.58	£6.80
Class I US Dollar Accumulation	$16.49	$11.36	$8.66
Class R Euro Accumulation	€13.36	€10.06	€7.56
Class R Sterling Accumulation	£11.96	£8.52	£6.79
Class R US Dollar Accumulation	$16.35	$11.29	$8.64
Class S Euro Accumulation	€13.53	€10.18	€7.58
Class S Sterling Accumulation	£12.11	£8.63	£6.81
Class S US Dollar Accumulation	$16.56	$11.43	$8.67

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

Emerging Markets Income Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€18,021	€373,989	€318,806
Class I Euro Distribution	€97,075	€1,328,070	€1,127,611
Class I Sterling Accumulation	£1,629,438	£1,694,473	£1,413,490
Class I Sterling Distribution	£17,650,211	£35,753,276	£46,727,287
Class I US Dollar Accumulation	$1,969,828	$4,708,250	$5,903,408
Class I US Dollar Distribution	$343,532	$500,391	$737,264
Class R Euro Accumulation	€471,007	€684,669	€1,489,928
Class R Euro Distribution	€82,713	€83,809	€48,367
Class R Sterling Accumulation	£35,500	£85,807	£235,471
Class R Sterling Distribution	£156,627	£245,661	£170,870
Class R US Dollar Accumulation	$5,492,142	$9,167,883	$10,190,437
Class R US Dollar Distribution	$1,574,443	$2,201,709	$2,385,147
Class S Euro Accumulation	€141	€153	€130
Class S Euro Distribution	€141	€153	€130
Class S Sterling Accumulation	£2,264,768	£2,087,697	£1,305,119
Class S Sterling Distribution	£44,293,439	£56,403,611	£57,299,762
Class S US Dollar Accumulation	$132	$131	$114
Class S US Dollar Distribution	$3,967,636	$1,094,278	$431,631
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€10.89	€11.84	€10.12
Class I Euro Distribution	€7.30	€8.33	€7.46
Class I Sterling Accumulation	£9.75	£10.03	£9.08
Class I Sterling Distribution	£6.53	£7.06	£6.70
Class I US Dollar Accumulation	$13.33	$13.29	$11.57
Class I US Dollar Distribution	$8.93	$9.36	$8.53
Class R Euro Accumulation	€10.37	€11.33	€9.73
Class R Euro Distribution	€6.98	€8.02	€7.22
Class R Sterling Accumulation	£9.29	£9.60	£8.74
Class R Sterling Distribution	£6.25	£6.80	£6.48
Class R US Dollar Accumulation	$12.69	$12.72	$11.13
Class R US Dollar Distribution	$8.55	$9.00	$8.25
Class S Euro Accumulation	€10.75	€11.67	€9.93
Class S Euro Distribution	€7.54	€8.59	€7.65
Class S Sterling Accumulation	£9.62	£9.89	£8.91
Class S Sterling Distribution	£6.75	£7.28	£6.87
Class S US Dollar Accumulation	$13.15	$13.10	$11.35
Class S US Dollar Distribution	$9.22	$9.64	$8.75

Emerging Market Stars Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€21,430,175	€3,742,520	€86
Class I Sterling Accumulation	£6,959,063	£1,900,760	£54,818
Class I US Dollar Accumulation	$7,789,861	$800,097	$85
Class R Euro Accumulation	€242,659	€2,446	€86
Class R Sterling Accumulation	£145	£109	£88
Class R US Dollar Accumulation	$46,768	$109	$85
Class S Euro Accumulation	€58,958,267	€5,359,749	€2,446,497
Class S Sterling Accumulation	£41,385,422	£4,139,243	£353,087
Class S US Dollar Accumulation	$104,405,904	$23,975,538	$8,734,512
Class S US Dollar Distribution*	$22,153,872	N/A	N/A
Class SX Euro Accumulation*	€1,573	N/A	N/A
Class SX Sterling Accumulation*	£21,647,795	N/A	N/A
Class SX US Dollar Accumulation*	$7,546,921	N/A	N/A
Class X Swedish Krona Accumulation	SEK. 5,475,132	SEK. 1,180	N/A
Class X Euro Accumulation	€2,454,690	€1,170	N/A
Class X US Dollar Accumulation	$30,681,879	$1,164	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€12.37	€9.77	€7.41
Class I Sterling Accumulation	£11.07	£8.28	£6.65
Class I US Dollar Accumulation	$15.13	$10.97	$8.47
Class R Euro Accumulation	€12.23	€9.70	€7.39
Class R Sterling Accumulation	£10.95	£8.22	£6.63
Class R US Dollar Accumulation	$14.97	$10.89	$8.45
Class S Euro Accumulation	€12.47	€9.82	€7.42
Class S Sterling Accumulation	£11.16	£8.32	£6.66
Class S US Dollar Accumulation	$15.25	$11.02	$8.49
Class S US Dollar Distribution*	$15.48	N/A	N/A
Class SX Euro Accumulation*	€15.73	N/A	N/A
Class SX Sterling Accumulation*	£13.67	N/A	N/A
Class SX US Dollar Accumulation*	$17.55	N/A	N/A
Class X Swedish Krona Accumulation	SEK. 133.81	SEK. 108.99	N/A
Class X Euro Accumulation	€13.32	€10.37	N/A
Class X US Dollar Accumulation	$16.29	$11.64	N/A

* Share classes launched during the financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

European ex UK Income Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€544,066	€342,421	€168,378
Class I Sterling Accumulation	£25,043,721	£27,804,365	£3,717,419
Class I Sterling Distribution	£3,034,349	£3,694,555	£2,020,541
Class I Sterling Hedged Accumulation	£29,450	£100,197	£82,556
Class I Sterling Hedged Distribution	£85,651	£253,094	£47,075
Class S Sterling Accumulation	£7,824,176	£1,182,379	£167,187
Class S Sterling Distribution	£30,042,051	£9,994,524	£47,678,957
Class S Sterling Hedged Accumulation	£1,183	£1,333	£1,099
Class S Sterling Hedged Distribution	£33,454,843	£120,831,926	£124,889,291
Class X Sterling Accumulation	£995	£1,066	N/A
Class X Sterling Distribution	£70,890,036	£64,853,634	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€11.50	€12.91	€10.78
Class I Sterling Accumulation	£10.22	£10.86	£9.61
Class I Sterling Distribution	£8.37	£9.27	£8.59
Class I Sterling Hedged Accumulation	£11.78	£13.28	£10.97
Class I Sterling Hedged Distribution	£9.56	£11.23	£9.72
Class S Sterling Accumulation	£10.31	£10.96	£9.68
Class S Sterling Distribution	£8.43	£9.34	£8.64
Class S Sterling Hedged Accumulation	£11.83	£13.33	£10.99
Class S Sterling Hedged Distribution	£9.60	£11.28	£9.75
Class X Sterling Accumulation	£9.95	£10.66	N/A
Class X Sterling Distribution	£9.44	£10.58	N/A

European Income Fund*	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	–	–	€42,450
Class I Euro Distribution	–	–	€1,160
Class I Sterling Accumulation	–	–	£8,766,473
Class I Sterling Distribution	–	–	£107,636
Class I Swiss Franc Accumulation	–	–	Sfr. 1,087
Class I Swiss Franc Distribution	–	–	Sfr. 1,083
Class I US Dollar Accumulation	–	–	$1,061
Class I US Dollar Distribution	–	–	$1,057
Class R Euro Accumulation	–	–	€1,136
Class R Euro Distribution	–	–	€1,132

* European Income Fund terminated on 17 January 2019.

European Income Fund* continued	**Net Asset Value Audited 31 December 2020**	**Net Asset Value Audited 31 December 2019**	**Net Asset Value Audited 31 December 2018**
Class R Sterling Accumulation	–	–	£1,300
Class R Sterling Distribution	–	–	£1,295
Class R Swiss Franc Accumulation	–	–	Sfr. 1,061
Class R Swiss Franc Distribution	–	–	Sfr. 1,057
Class R US Dollar Accumulation	–	–	$1,036
Class R US Dollar Distribution	–	–	$1,032
Class S Euro Accumulation	–	–	€1,169
Class S Euro Distribution	–	–	€1,168
Class S Sterling Accumulation	–	–	£1,338
Class S Sterling Distribution	–	–	£1,336
Class S Swiss Franc Accumulation	–	–	Sfr. 1,093
Class S Swiss Franc Distribution	–	–	Sfr. 1,090
Class S US Dollar Accumulation	–	–	$1,067
Class S US Dollar Distribution	–	–	$1,065
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	–	–	€11.63
Class I Euro Distribution	–	–	€10.00
Class I Sterling Accumulation	–	–	£10.44
Class I Sterling Distribution	–	–	£8.98
Class I Swiss Franc Accumulation	–	–	Sfr. 13.11
Class I Swiss Franc Distribution	–	–	Sfr. 11.27
Class I US Dollar Accumulation	–	–	$13.30
Class I US Dollar Distribution	–	–	$11.43
Class R Euro Accumulation	–	–	€11.36
Class R Euro Distribution	–	–	€9.77
Class R Sterling Accumulation	–	–	£10.19
Class R Sterling Distribution	–	–	£8.77
Class R Swiss Franc Accumulation	–	–	Sfr. 12.80
Class R Swiss Franc Distribution	–	–	Sfr. 11.01
Class R US Dollar Accumulation	–	–	$12.98
Class R US Dollar Distribution	–	–	$11.17
Class S Euro Accumulation	–	–	€11.69
Class S Euro Distribution	–	–	€10.07
Class S Sterling Accumulation	–	–	£10.49
Class S Sterling Distribution	–	–	£9.04
Class S Swiss Franc Accumulation	–	–	Sfr. 13.18
Class S Swiss Franc Distribution	–	–	Sfr. 11.35
Class S US Dollar Accumulation	–	–	$13.37
Class S US Dollar Distribution	–	–	$11.51

* European Income Fund terminated on 17 January 2019.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

Financial Opportunities Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€25,364	€28,406	€22,260
Class I Euro Distribution	€996,021	€1,103,972	€882,999
Class I Sterling Accumulation	£836,695	£6,894,875	£9,348,403
Class I Sterling Distribution	£3,283,370	£2,871,305	£9,141,712
Class I US Dollar Accumulation	$79	$81	$65
Class I US Dollar Distribution	$120,182	$4,006,660	$5,172,880
Class R Euro Accumulation	€120,516	€105,634	€127,356
Class R Euro Distribution	€62	€174	€55
Class R Sterling Accumulation	£4,101	£27,575	£54,636
Class R Sterling Distribution	£77,905	£68,018	£105,201
Class R US Dollar Accumulation	$198,124	$338,839	$443,421
Class R US Dollar Distribution	$114	$118	N/A
Class S Sterling Distribution*	£120	N/A	N/A
Class S US Dollar Distribution*	$3,345,848	N/A	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€12.01	€13.45	€10.54
Class I Euro Distribution	€11.27	€12.90	€10.36
Class I Sterling Accumulation	£10.75	£11.40	£9.46
Class I Sterling Distribution	£10.09	£10.93	£9.30
Class I US Dollar Accumulation	$14.70	$15.10	$12.05
Class I US Dollar Distribution	$13.79	$14.48	$11.85
Class R Euro Accumulation	€11.58	€13.04	€10.27
Class R Euro Distribution	€10.78	€12.40	€10.01
Class R Sterling Accumulation	£10.37	£11.05	£9.21
Class R Sterling Distribution	£9.65	£10.51	£8.99
Class R US Dollar Accumulation	$14.17	$14.63	$11.74
Class R US Dollar Distribution	$13.19	$13.92	N/A
Class S Sterling Distribution*	£9.18	N/A	N/A
Class S US Dollar Distribution*	$12.54	N/A	N/A

* Share classes launched during the financial year.

Global Absolute Return Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Hedged Euro Accumulation	€265,560	€137,294	€1,143
Class I Hedged Sterling Accumulation	£3,436,309	£847,481	£1,274
Class I US Dollar Accumulation	$922,944	$3,075,917	$1,000
Class S Hedged Euro Accumulation	€3,169,897	€3,882,424	€1,143
Class S Hedged Sterling Accumulation	£22,157,413	£24,514,233	£10,188,811
Class S US Dollar Accumulation	$6,962,131	$4,229,429	$1,000
Class I Hedged Euro Accumulation	€119.49	€99.83	€114.32
Class I Hedged Sterling Accumulation	£121.75	£101.18	£127.36
Class I US Dollar Accumulation	$125.46	$102.29	$100.00
Class S Hedged Euro Accumulation	€120.10	€100.13	€114.32
Class S Hedged Sterling Accumulation	£122.20	£101.35	£127.36
Class S US Dollar Accumulation	$126.06	$102.57	$100.00

Global Convertible Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€6,031,429	€51,336,753	€44,941,483
Class I Euro Distribution	€2,362,856	€2,024,775	€1,693,969
Class I Hedged Euro Accumulation	€1,288,609	€221,971	€184,865
Class I Hedged Sterling Accumulation	£13,593,048	£14,621,231	£14,519,118
Class I Hedged Sterling Distribution	£28,774,641	£22,354,918	£26,080,276
Class I Hedged Swiss Franc Accumulation	Sfr. 8,729,345	Sfr. 6,674,960	Sfr. 6,327,783
Class I Sterling Accumulation	£21,761,828	£17,432,307	£40,718,452
Class I Sterling Distribution	£161,987,425	£133,660,426	£112,331,102
Class I US Dollar Accumulation	$4,360,981	$8,169,918	$8,383,691
Class I US Dollar Distribution	$4,130,100	$3,159,349	$2,173,032
Class Portfolio Currency Hedged Euro I Accumulation	€36,022,803	€3,466,629	€1,924,081
Class Portfolio Currency Hedged Sterling I Distribution	£68,555,040	£111,879,694	£103,294,885
Class R Euro Accumulation	€784,930	€628,871	€259,491
Class R Euro Distribution	€1,600,219	€1,125,370	€487,987
Class R Sterling Accumulation	£215,502	£202,089	£166,417
Class R Sterling Distribution	£103,100	£1,539	£1,477
Class R US Dollar Accumulation	$1,688	$1,338	$1,223
Class R US Dollar Distribution	$1,005,361	$1,092,503	$456,339
Class S Euro Accumulation	€103,541	€117,993	€100,446
Class S Euro Distribution	€1,714	€1,498	€82,918
Class S Hedged Sterling Accumulation	£976,696	£1,555,873	£883,178
Class S Hedged Sterling Distribution	£2,734,849	£3,406,749	£4,655,207
Class S Hedged Swiss Franc Accumulation	Sfr. 646.50	Sfr. 517.00	Sfr. 489.00

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

Global Convertible Fund continued	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class S Sterling Accumulation	£2,157,304	£1,923,103	£2,247,106
Class S Sterling Distribution	£248,859,650	£267,473,432	£205,184,227
Class S US Dollar Accumulation	$739,201	$499,628	$425,213
Class S US Dollar Distribution	$3,044,915	$3,328,757	$3,296,909
Class SI Sterling Accumulation	£68,642,913	£40,470,568	£987
Class Portfolio Curr Hedged Sterling S Distribution	£88,230,617	£10,314,876	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€14.23	€12.13	€10.91
Class I Euro Distribution	€10.70	€9.51	€8.91
Class I Hedged Euro Accumulation	€13.18	€10.56	€9.99
Class I Hedged Sterling Accumulation	£13.77	£11.03	£10.30
Class I Hedged Sterling Distribution	£10.72	£8.95	£8.72
Class I Hedged Swiss Franc Accumulation	Sfr. 12.70	Sfr. 10.19	Sfr. 9.66
Class I Sterling Accumulation	£12.73	£10.26	£9.80
Class I Sterling Distribution	£9.58	£8.05	£8.01
Class I US Dollar Accumulation	$17.41	$13.61	$12.49
Class I US Dollar Distribution	$13.09	$10.67	$10.20
Class Portfolio Currency Hedged Euro I Accumulation	€13.83	€11.18	€10.43
Class Portfolio Currency Hedged Sterling I Distribution	£12.04	£10.26	£9.80
Class R Euro Accumulation	€13.79	€11.82	€10.69
Class R Euro Distribution	€10.34	€9.24	€8.70
Class R Sterling Accumulation	£12.35	£10.00	£9.60
Class R Sterling Distribution	£9.26	£7.82	£7.82
Class R US Dollar Accumulation	$16.88	$13.27	$12.23
Class R US Dollar Distribution	$12.66	$10.37	$9.96
Class S Euro Accumulation	€12.52	€10.64	€9.53
Class S Euro Distribution	€9.65	€8.54	€7.98
Class S Hedged Sterling Accumulation	£14.05	£11.22	£10.45
Class S Hedged Sterling Distribution	£10.92	£9.09	£8.82
Class S Hedged Swiss Franc Accumulation	Sfr. 12.93	Sfr. 10.34	Sfr. 9.78
Class S Sterling Accumulation	£11.21	£9.01	£8.56
Class S Sterling Distribution	£8.64	£7.23	£7.17
Class S US Dollar Accumulation	$15.32	$11.94	$10.91
Class S US Dollar Distribution	$11.81	$9.59	$9.14
Class SI Sterling Accumulation	£12.88	£10.36	£9.87
Class Portfolio Curr Hedged Sterling S Distribution	£12.11	£10.23	N/A

Global Insurance Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class A Sterling Distribution	£1,419,485	£2,192,020	£14,240,918
Class B Sterling Accumulation	£9,477,097	£11,332,394	£11,298,798
Class E Sterling Distribution	£537,439,348	£341,673,496	£295,476,211
Class F Sterling Accumulation	£197,519,367	£196,920,938	£185,651,636
Class I Euro Accumulation	€57,946,481	€84,608,193	€84,427,229
Class I Euro Distribution	€9,736,031	€10,218,320	€7,757,432
Class I Hedged Euro Accumulation	€14,433,408	€20,690,644	€11,260,536
Class I Hedged US Dollar Accumulation	$1,919,064	$2,549,571	$2,144,089
Class I Sterling Accumulation	£294,421,553	£343,856,432	£190,403,201
Class I Sterling Distribution	£191,846,469	£198,634,320	£143,831,636
Class I US Dollar Accumulation	$254,680,067	$333,758,414	$277,897,897
Class I US Dollar Distribution	$19,293,389	$17,480,532	$12,432,210
Class R Euro Accumulation	€5,407,889	€9,702,647	€3,507,030
Class R Euro Distribution	€1,959,401	€1,001,350	€17,024
Class R Sterling Accumulation	£5,488,193	£7,551,333	£5,262,336
Class R Sterling Distribution	£17,049,078	£21,256,176	£17,378,356
Class R US Dollar Accumulation	$68,754,492	$71,910,584	$16,933,098
Class R US Dollar Distribution	$1,297,677	$1,002,538	$62,199
	NAV per share	**NAV per share**	**NAV per share**
Class A Sterling Distribution	£5.27	£5.73	£4.75
Class B Sterling Accumulation	£6.92	£7.38	£6.01
Class E Sterling Distribution	£5.54	£5.98	£4.93
Class F Sterling Accumulation	£7.33	£7.78	£6.31
Class I Euro Accumulation	€7.95	€8.89	€6.81
Class I Euro Distribution	€6.05	€6.90	€5.37
Class I Hedged Euro Accumulation	€13.60	€14.46	€11.96
Class I Hedged US Dollar Accumulation	$14.67	$15.50	$12.48
Class I Sterling Accumulation	£7.11	£7.53	£6.11
Class I Sterling Distribution	£5.42	£5.84	£4.82
Class I US Dollar Accumulation	$9.72	$9.98	$7.78
Class I US Dollar Distribution	$7.41	$7.74	$6.14
Class R Euro Accumulation	€7.52	€8.46	€6.51
Class R Euro Distribution	€5.78	€6.61	€5.17
Class R Sterling Accumulation	£6.73	£7.17	£5.84
Class R Sterling Distribution	£5.17	£5.60	£4.64
Class R US Dollar Accumulation	$9.20	$9.49	$7.44
Class R US Dollar Distribution	$7.07	$7.42	$5.91

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

Global Technology Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class A Euro Distribution	€21,006,256	€5,681,779	€3,616,843
Class A Sterling Distribution	£25,289,972	£13,370,134	£8,817,587
Class A US Dollar Distribution	$96,717,737	$57,864,482	$38,667,901
Class I Euro Accumulation*	€3,250,035	N/A	N/A
Class I Euro Distribution	€511,983,318	€131,049,557	€75,346,847
Class I Hedged Euro Distribution	€153,113,535	€60,935,800	€48,769,459
Class I Hedged Sterling Distribution	£180,022,087	£94,986,655	£60,651,143
Class I Hedged Swiss Franc Distribution	Sfr. 100,976,205	Sfr. 34,015,441	Sfr. 26,156,442
Class I Sterling Distribution	£1,900,468,159	£1,063,308,625	£819,267,119
Class I US Dollar Distribution	$2,230,485,848	$872,165,059	$496,621,570
Class R Euro Accumulation*	€888,251	N/A	N/A
Class R Euro Distribution	€398,409,859	€153,141,681	€69,943,436
Class R Hedged Euro Accumulation	€210,399,632	€52,619,192	€32,529,696
Class R Hedged Euro Distribution	€110,210,559	€56,304,582	€58,727,423
Class R Hedged Swiss Franc Distribution	Sfr. 31,139,483	Sfr. 11,128,344	Sfr. 6,950,411
Class R Sterling Distribution	£41,817,776	£20,259,809	£13,875,604
Class R US Dollar Distribution	$1,518,978,921	$578,573,409	$447,231,349
	NAV per share	**NAV per share**	**NAV per share**
Class A Euro Distribution	€77.26	€53.41	€38.23
Class A Sterling Distribution	£69.15	£45.25	£34.31
Class A US Dollar Distribution	$94.53	$59.95	$43.70
Class I Euro Accumulation*	€11.94	N/A	N/A
Class I Euro Distribution	€71.61	€49.05	€34.76
Class I Hedged Euro Distribution	€24.46	€15.72	€11.66
Class I Hedged Sterling Distribution	£35.35	£22.72	£16.68
Class I Hedged Swiss Franc Distribution	Sfr. 35.35	Sfr. 22.80	Sfr. 16.95
Class I Sterling Distribution	£64.09	£41.56	£31.20
Class I US Dollar Distribution	$87.61	$55.06	$39.74
Class R Euro Accumulation*	€11.93	N/A	N/A
Class R Euro Distribution	€67.97	€46.72	€33.27
Class R Hedged Euro Accumulation	€24.05	€15.51	€11.56
Class R Hedged Euro Distribution	€35.50	€22.92	€17.08
Class R Hedged Swiss Franc Distribution	Sfr. 34.54	Sfr. 22.34	Sfr. 16.70
Class R Sterling Distribution	£60.84	£39.58	£29.86
Class R US Dollar Distribution	$83.17	$52.44	$38.03

* Share classes launched during the financial year.

Healthcare Blue Chip Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Accumulation	€241,965	€8,512	€683
Class I Euro Distribution	€513,326	€463,803	€69,698
Class I Sterling Accumulation	£11,099,041	£9,571,104	£5,745,905
Class I Sterling Distribution	£2,168,706	£5,407,991	£2,028,486
Class I US Dollar Accumulation	$1,875,895	$1,766,712	$1,520,513
Class I US Dollar Distribution	$56,674	$22,740	$214,277
Class S Sterling Accumulation	£2,889,627	£5,242,226	£788,044
Class S Sterling Distribution	£584,978	£549,416	£2,447,411
Class S Sterling Hedged Distribution	£1,467	£1,394	£1,840,640
Class S US Dollar Accumulation	$123	$114	$1,424,154
Class S US Dollar Distribution	$809	$749	$263,758
Class SI Sterling Distribution	£48,382,804	£47,169,563	£42,048,443
Class SI US Dollar Distribution	$160,147	$110,155	$35,235
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Accumulation	€13.11	€13.25	€10.56
Class I Euro Distribution	€12.40	€12.65	€10.21
Class I Sterling Accumulation	£11.73	£11.23	£9.47
Class I Sterling Distribution	£11.10	£10.72	£9.16
Class I US Dollar Accumulation	$16.04	$14.87	$12.07
Class I US Dollar Distribution	$15.17	$14.20	$11.67
Class S Sterling Accumulation	£11.83	£11.31	£9.53
Class S Sterling Distribution	£11.20	£10.80	£9.22
Class S Sterling Hedged Distribution	£14.37	£13.66	£11.44
Class S US Dollar Accumulation	$16.18	$14.98	$12.13
Class S US Dollar Distribution	$15.31	$14.31	$11.74
Class SI Sterling Distribution	£9.91	£9.53	£8.09
Class SI US Dollar Distribution	$13.54	$12.63	$10.30

Healthcare Discovery Fund*	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Sterling Accumulation	£1,247,146	N/A	N/A
Class I US Dollar Accumulation	$1,334,935	N/A	N/A
Class S Sterling Accumulation	£24,386,965	N/A	N/A
Class S US Dollar Accumulation	$12,078,174	N/A	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class I Sterling Accumulation	£11.01	N/A	N/A
Class I US Dollar Accumulation	$15.05	N/A	N/A
Class S Sterling Accumulation	£11.03	N/A	N/A
Class S US Dollar Accumulation	$15.08	N/A	N/A

* Healthcare Discovery Fund launched on 31 January 2020.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

Healthcare Opportunities Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class A Euro Distribution	€6,595,606	€5,810,432	€6,437,436
Class A Sterling Distribution	£2,923,616	£2,909,160	£2,739,194
Class A US Dollar Distribution	$8,801,242	$8,896,760	$8,901,388
Class I Euro Distribution	€197,367,115	€153,461,338	€88,800,055
Class I Euro Accumulation	€32,469,292	€1,203,872	€957
Class I Euro Hedged Accumulation*	€2,681,443	N/A	N/A
Class I Sterling Distribution	£964,995,112	£814,338,418	£903,328,668
Class I US Dollar Distribution	$237,121,974	$175,826,922	$194,845,472
Class I US Dollar Accumulation*	$36,756,528	N/A	N/A
Class R Euro Distribution	€66,698,086	€59,710,465	€46,206,359
Class R Euro Accumulation*	€863,140	N/A	N/A
Class R Sterling Distribution	£13,833,695	£11,569,737	£10,815,591
Class R US Dollar Distribution	$118,969,723	$98,745,136	$91,471,565
Class R US Dollar Accumulation*	$5,569,520	N/A	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class A Euro Distribution	€34.74	€32.05	€26.59
Class A Sterling Distribution	£31.10	£27.15	£23.86
Class A US Dollar Distribution	$42.51	$35.97	$30.39
Class I Euro Distribution	€52.78	€48.45	€40.00
Class I Euro Accumulation	€12.61	€11.57	€9.57
Class I Euro Hedged Accumulation*	€14.22	N/A	N/A
Class I Sterling Distribution	£47.24	£41.05	£35.90
Class I US Dollar Distribution	$64.58	$54.39	$45.73
Class I Euro Hedged Accumulation*	€14.22	N/A	N/A
Class R Euro Distribution	€49.91	€46.03	€38.21
Class R Euro Accumulation*	€49.12	N/A	N/A
Class R Sterling Distribution	£44.68	£39.01	£34.29
Class R US Dollar Distribution	$61.07	$51.67	$43.68
Class R US Dollar Accumulation*	$60.11	N/A	N/A

* Share classes launched during the financial year.

Income Opportunities Fund (based on dealing NAV per share)	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class A1 Sterling Distribution	£5,759,048	£7,366,727	£8,237,125
Class A2 Sterling Accumulation	£2,266,692	£4,264,708	£7,140,427
Class B1 Sterling Distribution	£7,150,324	£25,190,078	£35,884,901
Class B2 Sterling Accumulation	£17,758,641	£84,374,013	£149,085,137
Class I Euro Accumulation	€1,076	€1,177	€978
Class I Euro Distribution	€1,071	€1,174	€977
Class I Euro Hedged Accumulation	€204,801	€234,861	€404,868
Class I Euro Hedged Distribution	€9,975	€58,204	€99,569
Class I US Dollar Accumulation	$1,182	$1,185	$1,003
Class I US Dollar Distribution	$568,132	$1,085,281	$1,462,434
Class R Euro Accumulation	€99,969	€450,081	€2,444,027
Class R Euro Distribution	€621,898	€798,978	€739,834
Class R Euro Hedged Accumulation	€1,794,911	€2,737,033	€5,784,483
Class R Euro Hedged Distribution	€1,593,118	€3,418,823	€5,317,424
Class R US Dollar Accumulation	$803,612	$2,072,392	$2,692,823
Class R US Dollar Distribution	$2,773,437	$3,595,686	$6,266,747
Class R US Dollar Hedged Accumulation	$15,276,048	$24,509,687	$36,131,059
Class R US Dollar Hedged Distribution	$11,817,260	$16,982,246	$24,104,958
Class Z Sterling Accumulation*	–	£1,113	N/A
Class Z Sterling Distribution*	–	£1,113	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class A1 Sterling Distribution	£1.27	£1.39	£1.29
Class A2 Sterling Accumulation	£2.22	£2.31	£2.04
Class B1 Sterling Distribution	£1.34	£1.47	£1.35
Class B2 Sterling Accumulation	£2.33	£2.41	£2.12
Class I Euro Accumulation	€2.60	€2.84	€2.36
Class I Euro Distribution	€1.50	€1.73	€1.50
Class I Euro Hedged Accumulation	€13.38	€13.89	€12.42
Class I Euro Hedged Distribution	€10.81	€11.84	€11.05
Class I US Dollar Accumulation	$3.18	$3.19	$2.70
Class I US Dollar Distribution	$1.83	$1.94	$1.72
Class R Euro Accumulation	€2.48	€2.73	€2.28
Class R Euro Distribution	€1.41	€1.64	€1.43
Class R Euro Hedged Accumulation	€13.09	€13.66	€12.26
Class R Euro Hedged Distribution	€10.60	€11.65	€10.95
Class R US Dollar Accumulation	$3.04	$3.06	$2.60
Class R US Dollar Distribution	$1.73	$1.84	$1.64
Class R US Dollar Hedged Accumulation	$11.39	$11.65	$10.16
Class R US Dollar Hedged Distribution	$9.72	$10.47	$9.49
Class Z Sterling Accumulation*	–	£11.13	N/A
Class Z Sterling Distribution*	–	£11.13	N/A

* Share classes terminated during the financial year.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

Japan Fund*	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class A Japanese Yen Distribution	–	–	¥346,211,375
Class A Sterling Distribution	–	–	£2,333,445
Class A US Dollar Distribution	–	–	$4,609,286
Class I Euro Distribution	–	–	€4,373,140
Class I Hedged Euro Distribution	–	–	€47,802,457
Class I Hedged Sterling Distribution	–	–	£133,301,979
Class I Hedged Swiss Franc Distribution	–	–	Sfr. 10,240,094
Class I Hedged US Dollar Distribution	–	–	$75,537,562
Class I Japanese Yen Distribution	–	–	¥7,750,010,142
Class I Sterling Distribution	–	–	£58,897,561
Class I US Dollar Distribution	–	–	$24,415,681
Class R Euro Distribution	–	–	€747,599
Class R Hedged Euro Distribution	–	–	€28,506,947
Class R Hedged Sterling Distribution	–	–	£2,550,801
Class R Hedged Swiss Franc Distribution	–	–	Sfr. 7,000,568
Class R Hedged US Dollar Distribution	–	–	$99,155,997
Class R Japanese Yen Distribution	–	–	¥3,693,299,004
Class R Sterling Distribution	–	–	£26,477
Class R US Dollar Distribution	–	–	$1,731,083
Class SI Euro Distribution	–	–	€3,758,177
Class SI Hedged Euro Distribution	–	–	€12,143,808
Class SI Hedged Sterling Distribution	–	–	£8,560
Class SI Hedged US Dollar Distribution	–	–	$15,343,231
Class SI Japanese Yen Distribution	–	–	¥1,257,004,371
Class SI Sterling Distribution	–	–	£905
Class SI US Dollar Distribution	–	–	$13,768,493

* Japan Fund merged with the Japan Value Fund on 18 October 2019.

Japan Fund*	NAV per share 31 December 2020	NAV per share 31 December 2019	NAV per share 31 December 2018
Class A Japanese Yen Distribution	–	–	¥2,582.58
Class A Sterling Distribution	–	–	£18.49
Class A US Dollar Distribution	–	–	$23.39
Class I Euro Distribution	–	–	€16.54
Class I Hedged Euro Distribution	–	–	€15.35
Class I Hedged Sterling Distribution	–	–	£19.34
Class I Hedged Swiss Franc Distribution	–	–	Sfr. 13.14
Class I Hedged US Dollar Distribution	–	–	$20.13
Class I Japanese Yen Distribution	–	–	¥2,091.63
Class I Sterling Distribution	–	–	£14.97
Class I US Dollar Distribution	–	–	$18.95
Class R Euro Distribution	–	–	€15.95
Class R Hedged Euro Distribution	–	–	€14.84
Class R Hedged Sterling Distribution	–	–	£18.54
Class R Hedged Swiss Franc Distribution	–	–	Sfr. 12.85
Class R Hedged US Dollar Distribution	–	–	$19.36
Class R Japanese Yen Distribution	–	–	¥2,018.00
Class R Sterling Distribution	–	–	£14.45
Class R US Dollar Distribution	–	–	$18.28
Class SI Euro Distribution	–	–	€6.76
Class SI Hedged Euro Distribution	–	–	€8.49
Class SI Hedged Sterling Distribution	–	–	£8.56
Class SI Hedged US Dollar Distribution	–	–	$8.68
Class SI Japanese Yen Distribution	–	–	¥854.84
Class SI Sterling Distribution	–	–	£6.12
Class SI US Dollar Distribution	–	–	$7.74

* Japan Fund merged with the Japan Value Fund on 18 October 2019.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

Japan Value Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Distribution	€919	€1,910,498	€864
Class I Hedged Swiss Franc Distribution	Sfr. 957	Sfr. 1,109	N/A
Class I Hedged Euro Distribution	€836	€970	€801
Class I Hedged Sterling Distribution	£857	£988	£808
Class I Hedged US Dollar Distribution	$283,971	$9,092	$820
Class I Japanese Yen Distribution	¥403,407,806	¥181,472	¥148,858
Class I Sterling Distribution	£77,564	£36,395	£880
Class I US Dollar Distribution	$4,161	$111,425	$806
Class R Hedged Swiss Franc Distribution	Sfr. 2,195,052	Sfr. 4,311,454	N/A
Class R Hedged Euro Distribution	€6,157,405	€13,882,908	€2,284,021
Class R Hedged Sterling Distribution	£3,703,041	£3,980,429	£88,046
Class R Hedged US Dollar Distribution	$26,424,023	$57,208,526	$3,573,693
Class R Euro Distribution	€298,957	€670,426	N/A
Class R Sterling Distribution	£7,270	£11,721	N/A
Class R Japanese Yen Distribution	¥1,196,931,572	¥1,994,412,986	¥30,118,822
Class R US Dollar Distribution	$703,174	$1,271,346	$245
Class S Hedged Swiss Franc Distribution	Sfr. 2,127,695	Sfr. 4,774,128	N/A
Class S Hedged Euro Distribution	€4,670,439	€19,231,110	€1,234
Class S Hedged Sterling Distribution	£13,772,452	£28,631,456	£7,649,776
Class S Hedged US Dollar Distribution	$16,799,619	$49,782,036	$1,158,937
Class S Euro Distribution	€311,301	€1,925,809	N/A
Class S Japanese Yen Distribution	¥2,178,077,521	¥10,884,995,284	¥66,373,251
Class S Sterling Distribution	£27,399,558	£28,246,822	£1,426,194
Class S US Dollar Distribution	$13,150,187	$16,390,198	N/A

Japan Value Fund	NAV per share 31 December 2020	NAV per share 31 December 2019	NAV per share 31 December 2018
Class I Euro Distribution	€0.89	€1.05	€0.83
Class I Hedged Swiss Franc Distribution	Sfr. 9.57	Sfr. 11.09	N/A
Class I Hedged Euro Distribution	€8.36	€9.70	€8.01
Class I Hedged Sterling Distribution	£8.57	£9.88	£8.08
Class I Hedged US Dollar Distribution	$8.96	$10.23	$8.20
Class I Japanese Yen Distribution	¥112.12	¥128.25	¥105.20
Class I Sterling Distribution	£0.80	£0.90	£0.75
Class I US Dollar Distribution	$1.09	$1.17	$0.95
Class R Hedged Swiss Franc Distribution	Sfr. 9.54	Sfr. 11.09	N/A
Class R Hedged Euro Distribution	€1.99	€2.32	€1.92
Class R Hedged Sterling Distribution	£1.65	£1.91	£1.56
Class R Hedged US Dollar Distribution	$2.84	$3.25	$2.62
Class R Euro Distribution	€1.80	€2.14	N/A
Class R Sterling Distribution	£1.63	£1.83	N/A
Class R Japanese Yen Distribution	¥227.72	¥261.40	¥214.95
Class R US Dollar Distribution	$2.20	$2.39	$1.95
Class S Hedged Swiss Franc Distribution	Sfr. 9.62	Sfr. 11.11	N/A
Class S Hedged Euro Distribution	€2.09	€2.41	€1.98
Class S Hedged Sterling Distribution	£1.73	£1.99	£1.62
Class S Hedged US Dollar Distribution	$2.99	$3.40	$2.72
Class S Euro Distribution	€1.89	€2.23	N/A
Class S Japanese Yen Distribution	¥239.03	¥272.32	¥222.49
Class S Sterling Distribution	£1.71	£1.91	£1.59
Class S US Dollar Distribution	$2.31	$2.49	N/A

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

North American Fund	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Distribution	€271,480	€159,967,651	€228,908,693
Class I Hedged Euro Distribution	€44,400,932	€127,357,165	€127,772,228
Class I Hedged Sterling Distribution	£26,410,498	£80,295,758	£99,220,308
Class I Hedged Swiss Franc Distribution	Sfr. 2,290,705	Sfr. 2,504,482	Sfr. 16,716,267
Class I Sterling Distribution	£123,799,761	£248,794,128	£211,080,727
Class I US Dollar Distribution	$334,217,691	$511,068,660	$625,470,629
Class R Euro Distribution	€1,712,431	€1,874,587	€432,372
Class R Hedged Euro Distribution	€4,465,702	€9,079,896	€9,386,700
Class R Hedged Sterling Distribution	£1,300,710	£1,247,525	£1,562,991
Class R Sterling Distribution	£446,906	£394,536	£180,065
Class R US Dollar Distribution	$41,489,186	$48,502,643	$42,537,510
Class S Euro Distribution	€1,011,963	€1,130,831	€965,803
Class S Hedged Euro Distribution	€5,457,242	€703,587	€438,423
Class S Hedged Sterling Distribution	£23,101,917	£48,096,232	£41,602,261
Class S Sterling Distribution	£198,457,999	£420,748,385	£440,741,133
Class S US Dollar Distribution	$96,067,615	$114,082,854	$115,386,570
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Distribution	€25.66	€24.29	€18.64
Class I Hedged Euro Distribution	€27.58	€24.60	€19.78
Class I Hedged Sterling Distribution	£28.63	£25.75	£20.49
Class I Hedged Swiss Franc Distribution	Sfr. 15.38	Sfr. 13.74	Sfr. 11.08
Class I Sterling Distribution	£22.96	£20.58	£16.73
Class I US Dollar Distribution	$31.39	$27.26	$21.30
Class R Euro Distribution	€24.36	€23.20	€17.91
Class R Hedged Euro Distribution	€26.15	€23.46	€18.98
Class R Hedged Sterling Distribution	£27.24	£24.66	£19.73
Class R Sterling Distribution	£21.80	£19.66	£16.07
Class R US Dollar Distribution	$29.81	$26.04	$20.47
Class S Euro Distribution	€25.96	€24.56	€18.82
Class S Hedged Euro Distribution	€27.95	€24.91	€20.00
Class S Hedged Sterling Distribution	£28.99	£26.07	£20.71
Class S Sterling Distribution	£23.23	£20.81	£16.89
Class S US Dollar Distribution	$31.76	$27.57	$21.51

UK Absolute Equity Fund*	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Euro Distribution	–	€1,701,372	€3,822,036
Class I Hedged Euro Distribution	–	€238,464,437	€156,330,751
Class I Hedged US Dollar Distribution	–	$40,915,302	$71,783,096
Class I Sterling Distribution	–	£167,547,222	£202,600,560
Class I US Dollar Distribution	–	$18,697,704	$14,730,314
Class R Euro Distribution	–	€873,098	€1,340,694
Class R Hedged Euro Distribution	–	€30,434,398	€39,179,831
Class R Hedged US Dollar Distribution	–	$1,447,597	$2,135,882
Class R Sterling Distribution	–	£2,511,592	£3,561,094
Class R US Dollar Distribution	–	$252,774	$227,991
Class S Euro Distribution	–	€860,779	€181
Class S Hedged Euro Distribution	–	€1,132,664	€1,148,131
Class S Hedged US Dollar Distribution	–	$2,758,886	$3,089,029
Class S Sterling Distribution	–	£58,470,670	£58,462,623
Class S US Dollar Distribution	–	$181	$163
	NAV per share	**NAV per share**	**NAV per share**
Class I Euro Distribution	–	€25.99	€22.92
Class I Hedged Euro Distribution	–	€27.25	€25.60
Class I Hedged US Dollar Distribution	–	$36.76	$34.19
Class I Sterling Distribution	–	£22.09	£20.56
Class I US Dollar Distribution	–	$29.18	$26.25
Class R Euro Distribution	–	€25.50	€22.58
Class R Hedged Euro Distribution	–	€26.68	€25.18
Class R Hedged US Dollar Distribution	–	$35.94	$33.58
Class R Sterling Distribution	–	£21.67	£20.25
Class R US Dollar Distribution	–	$28.63	$25.86
Class S Euro Distribution	–	€26.31	€23.15
Class S Hedged Euro Distribution	–	€27.64	€25.92
Class S Hedged US Dollar Distribution	–	$37.12	$34.45
Class S Sterling Distribution	–	£22.36	£20.76
Class S US Dollar Distribution	–	$29.53	$26.50

* UK Absolute Equity Fund terminated on 15 May 2020.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

12. Comparative Figures continued

UK Value Opportunities Fund (based on dealing NAV per share)	Net Asset Value Audited 31 December 2020	Net Asset Value Audited 31 December 2019	Net Asset Value Audited 31 December 2018
Class I Sterling Accumulation	£169,746,771	£163,235,912	£84,998,425
Class I Sterling Distribution	£81,804,627	£69,565,964	£46,510,036
Class R Sterling Accumulation	£2,772,894	£2,606,083	£2,350,416
Class S Sterling Accumulation	£181,729,044	£384,429,419	£382,163,896
Class S Sterling Distribution	£584,874,997	£652,165,547	£247,126,008
Class Z Sterling Accumulation	£132,286,830	£1,178	N/A
Class Z Sterling Distribution*	–	£1,178	N/A
	NAV per share	**NAV per share**	**NAV per share**
Class I Sterling Accumulation	£12.19	£13.21	£10.40
Class I Sterling Distribution	£11.59	£12.82	£10.34
Class R Sterling Accumulation	£10.23	£11.13	£8.82
Class S Sterling Accumulation	£12.25	£13.25	£10.43
Class S Sterling Distribution	£11.61	£12.84	£10.36
Class Z Sterling Accumulation	£10.97	£11.78	N/A
Class Z Sterling Distribution*	–	£11.78	N/A

13. Distributions

In the financial year ended 31 December 2020 the following Funds declared and paid distributions as follows:

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Emerging Markets Income Fund						
Class R US Dollar Distributing Shares					US$107,813	
Class R US Dollar Distribution	02/01/2020	31/01/2020	$0.2073	244,634.30	$50,713	01/07/2019 – 31/12/2019
Class R Sterling Distribution	02/01/2020	31/01/2020	£0.1565	36,126.66	£5,654	01/07/2019 – 31/12/2019
Class R Euro Distribution	02/01/2020	31/01/2020	€0.1847	10,450.00	€1,930	01/07/2019 – 31/12/2019
Class R US Dollar Distribution	01/07/2020	31/07/2020	$0.1825	219,858.29	$40,124	01/01/2020 – 30/06/2020
Class R Sterling Distribution	01/07/2020	31/07/2020	£0.1477	28,265.34	£4,175	01/01/2020 – 30/06/2020
Class R Euro Distribution	01/07/2020	31/07/2020	€0.1625	11,850.00	€1,926	01/01/2020 – 30/06/2020
Class I US Dollar Distributing Shares					US$1,882,192	
Class I US Dollar Distribution	02/01/2020	31/01/2020	$0.2137	53,460.54	$11,425	01/07/2019 – 31/12/2019
Class I Sterling Distribution	02/01/2020	31/01/2020	£0.1613	5,066,321.13	£817,198	01/07/2019 – 31/12/2019
Class I Euro Distribution	02/01/2020	31/01/2020	€0.1904	159,432.19	€30,356	01/07/2019 – 31/12/2019
Class I US Dollar Distribution	01/07/2020	31/07/2020	$0.1863	49,050.39	$9,136	01/01/2020 – 30/06/2020
Class I Sterling Distribution	01/07/2020	31/07/2020	£0.1507	3,832,360.21	£577,537	01/01/2020 – 30/06/2020
Class I Euro Distribution	01/07/2020	31/07/2020	€0.1658	166,822.30	€27,659	01/01/2020 – 30/06/2020

* Share classes terminated during the financial year.

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Emerging Markets Income Fund continued						
Class S US Dollar Distributing Shares					US$3,196,704	
Class S US Dollar Distribution	02/01/2020	31/01/2020	$0.2187	113,514.28	$24,826	01/07/2019 – 31/12/2019
Class S Sterling Distribution	02/01/2020	31/01/2020	£0.1651	7,747,548.81	£1,279,120	01/07/2019 – 31/12/2019
Class S Euro Distribution	02/01/2020	31/01/2020	€0.1948	17.82	€3	01/07/2019 – 31/12/2019
Class S US Dollar Distribution	01/07/2020	31/07/2020	$0.1892	61,324.28	$11,603	01/01/2020 – 30/06/2020
Class S Sterling Distribution	01/07/2020	31/07/2020	£0.1531	7,747,779.83	£1,186,185	01/01/2020 – 30/06/2020
Class S Euro Distribution	01/07/2020	31/07/2020	€0.1685	18.24	€3	01/01/2020 – 30/06/2020
Total Distributions for Emerging Markets Income Fund					**US$5,186,709**	

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
European ex UK Income Fund						
Class I Sterling Distribution Shares					GBP£121,863	
Class I Sterling Distribution	02/01/2020	31/01/2020	£0.0255	399,280.11	£10,182	01/10/2019 – 31/12/2019
Class I Sterling Distribution	01/04/2020	30/04/2020	£0.0658	371,115.71	£24,419	01/01/2020 – 31/03/2020
Class I Sterling Distribution	01/07/2020	31/07/2020	£0.1665	376,120.16	£62,624	01/04/2020 – 30/06/2020
Class I Sterling Distribution	01/10/2020	30/10/2020	£0.0684	360,208.20	£24,638	01/07/2020 – 30/09/2020
Class S Sterling Distribution Shares					GBP£891,951	
Class S Sterling Distribution	02/01/2020	31/01/2020	£0.0257	1,070,100.45	£27,502	01/10/2019 – 31/12/2019
Class S Sterling Distribution	01/04/2020	30/04/2020	£0.0663	1,124,181.12	£74,533	01/01/2020 – 31/03/2020
Class S Sterling Distribution	01/07/2020	31/07/2020	£0.1676	3,307,479.03	£554,333	01/04/2020 – 30/06/2020
Class S Sterling Distribution	01/10/2020	30/10/2020	£0.0690	3,414,248.10	£235,583	01/07/2020 – 30/09/2020
Class I Sterling Hedged Distribution Shares					GBP£8,352	
Class I Sterling Hedged Distribution	02/01/2020	31/01/2020	£0.0306	22,537.28	£690	01/10/2019 – 31/12/2019
Class I Sterling Hedged Distribution	01/04/2020	30/04/2020	£0.0760	25,949.69	£1,972	01/01/2020 – 31/03/2020
Class I Sterling Hedged Distribution	01/07/2020	31/07/2020	£0.1908	25,710.70	£4,906	01/04/2020 – 30/06/2020
Class I Sterling Hedged Distribution	01/10/2020	30/10/2020	£0.0772	10,158.18	£784	01/07/2020 – 30/09/2020
Class S Sterling Hedged Distribution Shares					GBP£3,995,895	
Class S Sterling Hedged Distribution	02/01/2020	31/01/2020	£0.0308	10,712,050.17	£329,931	01/10/2019 – 31/12/2019
Class S Sterling Hedged Distribution	01/04/2020	30/04/2020	£0.0763	10,873,070.10	£829,615	01/01/2020 – 31/03/2020
Class S Sterling Hedged Distribution	01/07/2020	31/07/2020	£0.1917	11,221,955.97	£2,151,249	01/04/2020 – 30/06/2020
Class S Sterling Hedged Distribution	01/10/2020	30/10/2020	£0.0775	8,839,997.72	£685,100	01/07/2020 – 30/09/2020
Class X Sterling Distribution Shares					GBP£2,459,160	
Class X Sterling Distribution	02/01/2020	31/01/2020	£0.0034	6,129,833.08	£20,841	01/10/2019 – 31/12/2019
Class X Sterling Distribution	01/04/2020	30/04/2020	£0.0520	6,059,033.11	£315,070	01/01/2020 – 31/03/2020
Class X Sterling Distribution	01/07/2020	31/07/2020	£0.2640	6,113,033.71	£1,613,841	01/04/2020 – 30/06/2020
Class X Sterling Distribution	01/10/2020	30/10/2020	£0.0776	6,564,536.7	£509,408	01/07/2020 – 30/09/2020
Total Distributions for European ex UK Income Fund					**EUR€8,438,293**	

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Financial Opportunities Fund						
Class R US Dollar Distributing Shares					US$1,928	
Class R US Dollar Distribution	02/01/2020	31/01/2020	$0.1092	8.46	$1	01/01/2019 – 31/12/2019
Class R Sterling Distribution	02/01/2020	31/01/2020	£0.0824	6,471.75	£533	01/01/2019 – 31/12/2019
Class R Euro Distribution	02/01/2020	31/01/2020	€0.0973	14.06	€1	01/01/2019 – 31/12/2019
Class R US Dollar Distribution	01/07/2020	31/07/2020	$0.1455	8.53	$1	01/01/2020 – 30/06/2020
Class R Sterling Distribution	01/07/2020	31/07/2020	£0.1178	8,364.55	£985	01/01/2020 – 30/06/2020
Class R Euro Distribution	01/07/2020	31/07/2020	€0.1296	5.67	€1	01/01/2020 – 30/06/2020
Class I US Dollar Distributing Shares					US$158,770	
Class I US Dollar Distribution	02/01/2020	31/01/2020	$0.1135	276,703.06	$31,406	01/01/2019 – 31/12/2019
Class I Sterling Distribution	02/01/2020	31/01/2020	£0.0857	262,699.47	£22,513	01/01/2019 – 31/12/2019
Class I Euro Distribution	02/01/2020	31/01/2020	€0.1011	85,579.26	€8,652	01/01/2019 – 31/12/2019
Class I US Dollar Distribution	01/07/2020	31/07/2020	$0.1516	254,473.11	$38,578	01/01/2020 – 30/06/2020
Class I Sterling Distribution	01/07/2020	31/07/2020	£0.1227	238,651.55	£29,283	01/01/2020 – 30/06/2020
Class I Euro Distribution	01/07/2020	31/07/2020	€0.1349	86,262.13	€11,637	01/01/2020 – 30/06/2020
Total Distributions for Financial Opportunities Fund					**US$160,699**	

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Convertible Fund						
Class R US Dollar Distributing Shares					US$104,334	
Class R US Dollar Distribution	02/01/2020	31/01/2020	$0.1037	105,352.27	$10,925	01/10/2019 – 31/12/2019
Class R Sterling Distribution	02/01/2020	31/01/2020	£0.0782	196.76	£15	01/10/2019 – 31/12/2019
Class R Euro Distribution	02/01/2020	31/01/2020	€0.0924	121,793.28	€11,254	01/10/2019 – 31/12/2019
Class R US Dollar Distribution	01/04/2020	30/04/2020	$0.0906	91,958.54	$8,331	01/01/2020 – 31/03/2020
Class R Sterling Distribution	01/04/2020	30/04/2020	£0.0731	198.70	£15	01/01/2020 – 31/03/2020
Class R Euro Distribution	01/04/2020	30/04/2020	€0.0826	140,833.82	€11,633	01/01/2020 – 31/03/2020
Class R US Dollar Distribution	01/07/2020	31/07/2020	$0.1111	98,259.75	$10,917	01/04/2020 – 30/06/2020
Class R Sterling Distribution	01/07/2020	31/07/2020	£0.0899	200.57	£18	01/04/2020 – 30/06/2020
Class R Euro Distribution	01/07/2020	31/07/2020	€0.0989	140,756.51	€13,921	01/04/2020 – 30/06/2020
Class R US Dollar Distribution	01/10/2020	30/10/2020	$0.1165	118,111.06	$13,760	01/07/2020 – 30/09/2020
Class R Sterling Distribution	01/10/2020	30/10/2020	£0.0901	202.71	£18	01/07/2020 – 30/09/2020
Class R Euro Distribution	01/10/2020	30/10/2020	€0.0993	165,569.19	€16,441	01/07/2020 – 30/09/2020

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Convertible Fund continued						
Class I US Dollar Distributing Shares					US$7,958,741	
Class I US Dollar Distribution	02/01/2020	31/01/2020	$0.1067	296,096.42	$31,593	01/10/2019 – 31/12/2019
Class I Sterling Distribution	02/01/2020	31/01/2020	£0.0804	16,604,638.65	£1,335,013	01/10/2019 – 31/12/2019
Class I Euro Distribution	02/01/2020	31/01/2020	€0.0950	212,910.10	€20,226	01/10/2019 – 31/12/2019
Class I US Dollar Distribution	01/04/2020	30/04/2020	$0.0927	279,304.90	$25,892	01/01/2020 – 31/03/2020
Class I Sterling Distribution	01/04/2020	30/04/2020	£0.0748	18,447,384.40	£1,379,864	01/01/2020 – 31/03/2020
Class I Euro Distribution	01/04/2020	30/04/2020	€0.0845	238,770.10	€20,176	01/01/2020 – 31/03/2020
Class I US Dollar Distribution	01/07/2020	31/07/2020	$0.1146	287,908.51	$32,994	01/04/2020 – 30/06/2020
Class I Sterling Distribution	01/07/2020	31/07/2020	£0.0927	18,425,349.09	£1,708,030	01/04/2020 – 30/06/2020
Class I Euro Distribution	01/07/2020	31/07/2020	€0.1020	216,827.65	€22,116	01/04/2020 – 30/06/2020
Class I US Dollar Distribution	01/10/2020	30/10/2020	$0.1204	319,880.65	$38,514	01/07/2020 – 30/09/2020
Class I Sterling Distribution	01/10/2020	30/10/2020	£0.0931	17,779,149.47	£1,655,239	01/07/2020 – 30/09/2020
Class I Euro Distribution	01/10/2020	30/10/2020	€0.1027	216,827.65	€22,268	01/07/2020 – 30/09/2020
Class S US Dollar Distributing Shares					US$12,209,934	
Class S US Dollar Distribution	02/01/2020	31/01/2020	$0.0959	347,107.06	$33,288	01/10/2019 – 31/12/2019
Class S Sterling Distribution	02/01/2020	31/01/2020	£0.0723	37,005,989.75	£2,675,533	01/10/2019 – 31/12/2019
Class S Euro Distribution	02/01/2020	31/01/2020	€0.0854	175.39	€15	01/10/2019 – 31/12/2019
Class S US Dollar Distribution	01/04/2020	30/04/2020	$0.0845	332,911.84	$28,131	01/01/2020 – 31/03/2020
Class S Sterling Distribution	01/04/2020	30/04/2020	£0.0681	32,134,219.38	£2,188,340	01/01/2020 – 31/03/2020
Class S Euro Distribution	01/04/2020	30/04/2020	€0.0770	172.37	€13	01/01/2020 – 31/03/2020
Class S US Dollar Distribution	01/07/2020	31/07/2020	$0.1031	272,899.64	$28,136	01/04/2020 – 30/06/2020
Class S Sterling Distribution	01/07/2020	31/07/2020	£0.0834	27,221,937.13	£2,270,310	01/04/2020 – 30/06/2020
Class S Euro Distribution	01/07/2020	31/07/2020	€0.0918	173.97	€16	01/04/2020 – 30/06/2020
Class S US Dollar Distribution	01/10/2020	30/10/2020	$0.1084	275,250.92	$29,837	01/07/2020 – 30/09/2020
Class S Sterling Distribution	01/10/2020	30/10/2020	£0.0838	27,856,793.15	£2,334,399	01/07/2020 – 30/09/2020
Class S Euro Distribution	01/10/2020	30/10/2020	€0.0924	175.77	€16	01/07/2020 – 30/09/2020
Class I Hedged Sterling Distributing Shares					GBP£357,986	
Class I Hedged Sterling Distribution	02/01/2020	31/01/2020	£0.0895	2,497,162.29	£223,496	01/10/2019 – 31/12/2019
Class I Hedged Sterling Distribution	01/04/2020	30/04/2020	£0.0769	1,748,889.23	£134,490	01/01/2020 – 31/03/2020
Class I Hedged Sterling Distribution	01/07/2020	31/07/2020	£0.0944	1,667,841.16	£157,444	01/04/2020 – 30/06/2020
Class I Hedged Sterling Distribution	01/10/2020	30/10/2020	£0.0991	1,690,287.81	£167,508	01/07/2020 – 30/09/2020
Class S Hedged Sterling Distributing Shares					GBP£61,108	
Class S Hedged Sterling Distribution	02/01/2020	31/01/2020	£0.0909	374,779.89	£34,067	01/10/2019 – 31/12/2019
Class S Hedged Sterling Distribution	01/04/2020	30/04/2020	£0.0784	344,907.30	£27,041	01/01/2020 – 31/03/2020
Class S Hedged Sterling Distribution	01/07/2020	31/07/2020	£0.0961	279,160.74	£26,827	01/04/2020 – 30/06/2020
Class S Hedged Sterling Distribution	01/10/2020	30/10/2020	£0.1007	263,118.18	£26,496	01/07/2020 – 30/09/2020

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Convertible Fund continued						
Class Portfolio Currency Hedged Sterling I Distribution Shares					GBP£1,816,119	
Class Portfolio Currency Hedged Sterling I Distribution	02/01/2020	31/01/2020	£0.1025	10,906,140.91	£1,117,879	01/10/2019 – 31/12/2019
Class Portfolio Currency Hedged Sterling I Distribution	01/04/2020	30/04/2020	£0.0812	8,599,012.52	£698,240	01/01/2020 – 31/03/2020
Class Portfolio Currency Hedged Sterling I Distribution	01/07/2020	31/07/2020	£0.1082	7,100,216.56	£768,243	01/04/2020 – 30/06/2020
Class Portfolio Currency Hedged Sterling I Distribution	01/10/2020	30/10/2020	£0.1123	6,132,825.42	£688,716	01/07/2020 – 30/09/2020
Class Portfolio Currency Hedged Sterling S Distribution Shares					GBP£185,126	
Class Portfolio Currency Hedged Sterling S Distribution	02/01/2020	31/01/2020	£0.1023	1,008,297.07	£103,149	01/10/2019 – 31/12/2019
Class Portfolio Currency Hedged Sterling S Distribution	01/04/2020	30/04/2020	£0.0891	920,059.61	£81,977	01/01/2020 – 31/03/2020
Class Portfolio Currency Hedged Sterling S Distribution	01/07/2020	31/07/2020	£0.1086	7,472,605.85	£811,525	01/04/2020 – 30/06/2020
Class Portfolio Currency Hedged Sterling S Distribution	01/10/2020	30/10/2020	£0.1128	7,416,711.03	£836,605	01/07/2020 – 30/09/2020
Total Distributions for Global Convertible Fund					**US$27,795,727**	

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Insurance Fund						
Class R Sterling Distributing Shares					GBP£333,343	
Class R US Dollar Distribution	02/01/2020	31/01/2020	$0.0182	135,127.54	$2,459	01/10/2019 – 31/12/2019
Class R Sterling Distribution	02/01/2020	31/01/2020	£0.0137	3,795,474.58	£51,998	01/10/2019 – 31/12/2019
Class R Euro Distribution	02/01/2020	31/01/2020	€0.0162	152,258.09	€2,467	01/10/2019 – 31/12/2019
Class R US Dollar Distribution	01/04/2020	30/04/2020	$0.0310	150,043.64	$4,651	01/01/2020 – 31/03/2020
Class R Sterling Distribution	01/04/2020	30/04/2020	£0.0250	3,742,463.48	£93,562	01/01/2020 – 31/03/2020
Class R Euro Distribution	01/04/2020	30/04/2020	€0.0283	221,378.43	€6,265	01/01/2020 – 31/03/2020
Class R US Dollar Distribution	01/07/2020	31/07/2020	$0.0255	191,033.91	$4,871	01/04/2020 – 30/06/2020
Class R Sterling Distribution	01/07/2020	31/07/2020	£0.0206	3,360,607.88	£69,229	01/04/2020 – 30/06/2020
Class R Euro Distribution	01/07/2020	31/07/2020	€0.0227	270,785.58	€6,147	01/04/2020 – 30/06/2020
Class R US Dollar Distribution	01/10/2020	30/10/2020	$0.0325	192,855.46	$6,268	01/07/2020 – 30/09/2020
Class R Sterling Distribution	01/10/2020	30/10/2020	£0.0252	3,285,344.18	£82,791	01/07/2020 – 30/09/2020
Class R Euro Distribution	01/10/2020	30/10/2020	€0.0277	324,124.37	€8,978	01/07/2020 – 30/09/2020

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Insurance Fund continued						
Class I Sterling Distributing Shares					GBP£3,341,551	
Class I US Dollar Distribution	02/01/2020	31/01/2020	$0.0189	2,257,854.10	$42,673	01/10/2019 – 31/12/2019
Class I Sterling Distribution	02/01/2020	31/01/2020	£0.0143	33,993,700.38	£486,110	01/10/2019 – 31/12/2019
Class I Euro Distribution	02/01/2020	31/01/2020	€0.0169	1,483,517.11	€25,071	01/10/2019 – 31/12/2019
Class I US Dollar Distribution	01/04/2020	30/04/2020	$0.0323	2,182,970.12	$70,510	01/01/2020 – 31/03/2020
Class I Sterling Distribution	01/04/2020	30/04/2020	£0.0261	33,457,416.11	£873,239	01/01/2020 – 31/03/2020
Class I Euro Distribution	01/04/2020	30/04/2020	€0.0295	1,495,123.14	€44,106	01/01/2020 – 31/03/2020
Class I US Dollar Distribution	01/07/2020	31/07/2020	$0.0265	2,024,128.71	$53,639	01/04/2020 – 30/06/2020
Class I Sterling Distribution	01/07/2020	31/07/2020	£0.0215	34,947,343.66	£751,368	01/04/2020 – 30/06/2020
Class I Euro Distribution	01/07/2020	31/07/2020	€0.0236	1,553,487.21	€36,662	01/04/2020 – 30/06/2020
Class I US Dollar Distribution	01/10/2020	30/10/2020	$0.0340	2,236,726.18	$76,049	01/07/2020 – 30/09/2020
Class I Sterling Distribution	01/10/2020	30/10/2020	£0.0263	34,352,673.12	£903,475	01/07/2020 – 30/09/2020
Class I Euro Distribution	01/10/2020	30/10/2020	€0.0290	1,601,325.43	€46,438	01/07/2020 – 30/09/2020
Class A Sterling Distributing Shares					GBP£29,005	
Class A Sterling Distribution	02/01/2020	31/01/2020	£0.0141	382,738.49	£5,397	01/10/2019 – 31/12/2019
Class A Sterling Distribution	01/04/2020	30/04/2020	£0.0256	329,970.95	£8,447	01/01/2020 – 31/03/2020
Class A Sterling Distribution	01/07/2020	31/07/2020	£0.0210	326,993.70	£6,867	01/04/2020 – 30/06/2020
Class A Sterling Distribution	01/10/2020	30/10/2020	£0.0257	322,752.89	£8,295	01/07/2020 – 30/09/2020
Class E Sterling Distributing Shares					GBP£5,116,911	
Class E Sterling Distribution	02/01/2020	31/01/2020	£0.0147	57,112,051.08	£839,547	01/10/2019 – 31/12/2019
Class E Sterling Distribution	01/04/2020	30/04/2020	£0.0268	56,929,441.51	£1,525,709	01/01/2020 – 31/03/2020
Class E Sterling Distribution	01/07/2020	31/07/2020	£0.0220	56,557,449.00	£1,244,264	01/04/2020 – 30/06/2020
Class E Sterling Distribution	01/10/2020	30/10/2020	£0.0269	56,036,844.74	£1,507,391	01/07/2020 – 30/09/2020
Total Distributions for Global Insurance Fund					**GBP£8,820,811**	

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Healthcare Blue Chip Fund						
Class I US Dollar Distributing Shares					US$70,734	
Class I US Dollar Distribution	02/01/2020	31/01/2020	$0.1304	1,601.42	$209	01/10/2019 – 31/12/2019
Class I Sterling Distribution	02/01/2020	31/01/2020	£0.0984	504,177.50	£49,611	01/10/2019 – 31/12/2019
Class I Euro Distribution	02/01/2020	31/01/2020	€0.1162	36,664.28	€4,260	01/10/2019 – 31/12/2019
Class S US Dollar Distributing Shares					US$7,648	
Class S US Dollar Distribution	02/01/2020	31/01/2020	$0.1315	52.35	$7	01/10/2019 – 31/12/2019
Class S Sterling Distribution	02/01/2020	31/01/2020	£0.0993	58,106.26	£5,770	01/10/2019 – 31/12/2019
Class SI US Dollar Distributing Shares					US$574,036	
Class SI US Dollar Distribution	02/01/2020	31/01/2020	$0.1158	8,721.73	$1,010	01/10/2019 – 31/12/2019
Class SI Sterling Distribution	02/01/2020	31/01/2020	£0.0874	4,948,411.75	£432,491	01/10/2019 – 31/12/2019
Total Distributions for Healthcare Blue Chip Fund					**US$652,418**	

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Income Opportunities Fund						
Class A1 Sterling Distribution Shares					GBP£437,298	
Class A1 Sterling Distribution	02/01/2020	31/01/2020	£0.0150	5,301,710.65	£79,526	01/10/2019 – 31/12/2019
Class R US Dollar Distribution	02/01/2020	31/01/2020	$0.0199	1,953,433.78	$38,873	01/10/2019 – 31/12/2019
Class R Euro Distribution	02/01/2020	31/01/2020	€0.0177	487,241.29	€8,624	01/10/2019 – 31/12/2019
Class A1 Sterling Distribution	01/04/2020	30/04/2020	£0.0150	4,696,782.85	£70,452	01/01/2020 – 31/03/2020
Class R US Dollar Distribution	01/04/2020	30/04/2020	$0.0186	1,827,412.93	$33,990	01/01/2020 – 31/03/2020
Class R Euro Distribution	01/04/2020	30/04/2020	€0.0170	487,248.90	€8,283	01/01/2020 – 31/03/2020
Class A1 Sterling Distribution	01/07/2020	31/07/2020	£0.0150	5,125,259.16	£76,879	01/04/2020 – 30/06/2020
Class R US Dollar Distribution	01/07/2020	31/07/2020	$0.0185	1,729,218.75	$31,991	01/04/2020 – 30/06/2020
Class R Euro Distribution	01/07/2020	31/07/2020	€0.0165	487,258.91	€8,040	01/04/2020 – 30/06/2020
Class A1 Sterling Distribution	01/10/2020	30/10/2020	£0.0150	4,867,613.25	£73,014	01/07/2020 – 30/09/2020
Class R US Dollar Distribution	01/10/2020	30/10/2020	$0.0194	1,702,777.05	$33,034	01/07/2020 – 30/09/2020
Class R Euro Distribution	01/10/2020	30/10/2020	€0.0165	487,268.64	€8,040	01/07/2020 – 30/09/2020
Class B1 Sterling Distribution Shares					GBP£683,154	
Class B1 Sterling Distribution	02/01/2020	31/01/2020	£0.0158	17,183,141.34	£270,634	01/10/2019 – 31/12/2019
Class I US Dollar Distribution	02/01/2020	31/01/2020	$0.0209	559,077.36	$11,685	01/10/2019 – 31/12/2019
Class I Euro Distribution	02/01/2020	31/01/2020	€0.0186	679.03	€13	01/10/2019 – 31/12/2019
Class B1 Sterling Distribution	01/04/2020	30/04/2020	£0.0158	11,055,168.99	£174,119	01/01/2020 – 31/03/2020
Class I US Dollar Distribution	01/04/2020	30/04/2020	$0.0195	559,084.04	$10,902	01/01/2020 – 31/03/2020
Class I Euro Distribution	01/04/2020	30/04/2020	€0.0178	686.33	€12	01/01/2020 – 31/03/2020
Class B1 Sterling Distribution	01/07/2020	31/07/2020	£0.0158	6,705,809.83	£105,617	01/04/2020 – 30/06/2020
Class I US Dollar Distribution	01/07/2020	31/07/2020	$0.0195	559,092.68	$10,902	01/04/2020 – 30/06/2020
Class I Euro Distribution	01/07/2020	31/07/2020	€0.0173	695.86	€12	01/04/2020 – 30/06/2020
Class B1 Sterling Distribution	01/10/2020	30/10/2020	£0.0158	6,191,640.41	£97,518	01/07/2020 – 30/09/2020
Class I US Dollar Distribution	01/10/2020	30/10/2020	$0.0204	559,100.63	$11,406	01/07/2020 – 30/09/2020
Class I Euro Distribution	01/10/2020	30/10/2020	€0.0174	705.13	€12	01/07/2020 – 30/09/2020
Class R Euro Hedged Distribution Shares					EUR€125,426	
Class R Euro Hedged Distribution	02/01/2020	31/01/2020	€0.1275	293,443.60	€37,414	01/10/2019 – 31/12/2019
Class R Euro Hedged Distribution	01/04/2020	30/04/2020	€0.1275	257,194.88	€32,792	01/01/2020 – 31/03/2020
Class R Euro Hedged Distribution	01/07/2020	31/07/2020	€0.1275	224,466.58	€28,619	01/04/2020 – 30/06/2020
Class R Euro Hedged Distribution	01/10/2020	30/10/2020	€0.1275	208,626.53	€26,600	01/07/2020 – 30/09/2020

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Income Opportunities Fund continued						
Class I Euro Hedged Distribution Shares					EUR€1,489	
Class I Euro Hedged Distribution	02/01/2020	31/01/2020	€0.1275	4,916.76	€627	01/10/2019 – 31/12/2019
Class I Euro Hedged Distribution	01/04/2020	30/04/2020	€0.1275	4,918.02	€627	01/01/2020 – 31/03/2020
Class I Euro Hedged Distribution	01/07/2020	31/07/2020	€0.1275	919.69	€117	01/04/2020 – 30/06/2020
Class I Euro Hedged Distribution	01/10/2020	30/10/2020	€0.1275	921.29	€117	01/07/2020 – 30/09/2020
Class R US Dollar Hedged Distribution Shares					US$624,909	
Class R US Dollar Hedged Distribution	02/01/2020	31/01/2020	$0.1075	1,622,672.94	$174,437	01/10/2019 – 31/12/2019
Class R US Dollar Hedged Distribution	01/04/2020	30/04/2020	$0.1075	1,495,928.07	$160,812	01/01/2020 – 31/03/2020
Class R US Dollar Hedged Distribution	01/07/2020	31/07/2020	$0.1075	1,404,614.55	$150,996	01/04/2020 – 30/06/2020
Class R US Dollar Hedged Distribution	01/10/2020	30/10/2020	$0.1075	1,289,895.98	$138,664	01/07/2020 – 30/09/2020
Total Distributions for Income Opportunities Fund					**GBP£1,723,491**	

31 December 2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
UK Value Opportunities Fund						
Class I Sterling Distribution	02/01/2020	31/01/2020	£0.2645	5,430,291.18	£1,436,312	01/01/2019 – 31/12/2019
Class S Sterling Distribution	02/01/2020	31/01/2020	£0.2798	50,821,881.88	£14,219,963	01/01/2019 – 31/12/2019
Class Z Sterling Distribution	02/01/2020	31/01/2020	£0.2931	100.00	£29	01/01/2019 – 31/12/2019
Total Distributions for UK Value Opportunities Fund					**GBP£15,656,304**	

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

In the financial year ended 31 December 2019 the following Funds declared and paid distributions as follows:

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Emerging Markets Income Fund						
Class R Distribution Shares					US$124,452	
Class R US Dollar Distribution	02/01/2019	31/01/2019	$0.1956	289,108.70	$56,550	01/07/2018 – 31/12/2018
Class R Sterling Distribution	02/01/2019	31/01/2019	£0.1536	26,368.86	£4,050	01/07/2018 – 31/12/2018
Class R Euro Distribution	02/01/2019	31/01/2019	€0.1711	6,700.00	€1,146	01/07/2018 – 31/12/2018
Class R US Dollar Distribution	01/07/2019	31/07/2019	$0.1957	270,147.70	$52,868	01/01/2019 – 30/06/2019
Class R Sterling Distribution	01/07/2019	31/07/2019	£0.1538	37,070.11	£5,701	01/01/2019 – 30/06/2019
Class R Euro Distribution	01/07/2019	31/07/2019	€0.1718	6,700.00	€1,151	01/01/2019 – 30/06/2019
Class I Distribution Shares					US$2,622,553	
Class I US Dollar Distribution	02/01/2019	31/01/2019	$0.2016	86,431.93	$17,425	01/07/2018 – 31/12/2018
Class I Sterling Distribution	02/01/2019	31/01/2019	£0.1583	6,974,769.35	£1,104,106	01/07/2018 – 31/12/2018
Class I Euro Distribution	02/01/2019	31/01/2019	€0.1764	151,154.23	€26,664	01/07/2018 – 31/12/2018
Class I US Dollar Distribution	01/07/2019	31/07/2019	$0.1997	88,213.06	$17,616	01/01/2019 – 30/06/2019
Class I Sterling Distribution	01/07/2019	31/07/2019	£0.1569	5,606,931.59	£879,728	01/01/2019 – 30/06/2019
Class I Euro Distribution	01/07/2019	31/07/2019	€0.1754	156,345.58	€27,423	01/01/2019 – 30/06/2019
Class S Distribution Shares					US$3,417,183	
Class S US Dollar Distribution	02/01/2019	31/01/2019	$0.2063	49,329.28	$10,177	01/07/2018 – 31/12/2018
Class S Sterling Distribution	02/01/2019	31/01/2019	£0.1620	8,348,720.24	£1,352,493	01/07/2018 – 31/12/2018
Class S Euro Distribution	02/01/2019	31/01/2019	€0.1805	17.04	€3	01/07/2018 – 31/12/2018
Class S US Dollar Distribution	01/07/2019	31/07/2019	$0.2028	49,329.28	$10,004	01/01/2019 – 30/06/2019
Class S Sterling Distribution	01/07/2019	31/07/2019	£0.1593	8,257,665.96	£1,315,446	01/01/2019 – 30/06/2019
Class S Euro Distribution	01/07/2019	31/07/2019	€0.1781	17.43	€3	01/01/2019 – 30/06/2019
Total Distributions for Emerging Markets Income Fund					**US$6,164,189**	

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
European ex UK Income Fund						
Class I Sterling Distribution Shares					GBP£115,272	
Class I Sterling Distribution	02/01/2019	31/01/2019	£0.0645	235,720.67	£15,204	01/10/2018 – 31/12/2018
Class I Sterling Distribution	01/04/2019	29/04/2019	£0.0925	246,007.04	£22,756	01/01/2019 – 31/03/2019
Class I Sterling Distribution	01/07/2019	31/07/2019	£0.2160	255,286.13	£55,142	01/04/2019 – 30/06/2019
Class I Sterling Distribution	01/10/2019	31/10/2019	£0.0528	419,895.51	£22,170	01/07/2019 – 30/09/2019
Class S Sterling Distribution Shares					GBP£2,667,607	
Class S Sterling Distribution	02/01/2019	31/01/2019	£0.0648	5,518,397.84	£357,592	01/10/2018 – 31/12/2018
Class S Sterling Distribution	01/04/2019	29/04/2019	£0.0931	5,527,075.10	£514,571	01/01/2019 – 31/03/2019
Class S Sterling Distribution	01/07/2019	31/07/2019	£0.2172	8,008,208.72	£1,739,383	01/04/2019 – 30/06/2019
Class S Sterling Distribution	01/10/2019	31/10/2019	£0.0531	1,055,755.33	£56,061	01/07/2019 – 30/09/2019
Class I Sterling Hedged Distribution Shares					GBP£7,464	
Class I Sterling Hedged Distribution	02/01/2019	31/01/2019	£0.0736	4,843.06	£356	01/10/2018 – 31/12/2018
Class I Sterling Hedged Distribution	01/04/2019	29/04/2019	£0.1093	5,843.89	£639	01/01/2019 – 31/03/2019
Class I Sterling Hedged Distribution	01/07/2019	31/07/2019	£0.2540	20,535.04	£5,216	01/04/2019 – 30/06/2019
Class I Sterling Hedged Distribution	01/10/2019	31/10/2019	£0.0599	20,912.74	£1,253	01/07/2019 – 30/09/2019
Class S Sterling Hedged Distribution Shares					GBP£6,258,929	
Class S Sterling Hedged Distribution	02/01/2019	31/01/2019	£0.0738	12,809,158.09	£945,316	01/10/2018 – 31/12/2018
Class S Sterling Hedged Distribution	01/04/2019	29/04/2019	£0.1097	12,475,743.70	£1,368,589	01/01/2019 – 31/03/2019
Class S Sterling Hedged Distribution	01/07/2019	31/07/2019	£0.2549	12,575,732.09	£3,205,554	01/04/2019 – 30/06/2019
Class S Sterling Hedged Distribution	01/10/2019	31/10/2019	£0.0601	12,303,994.89	£739,470	01/07/2019 – 30/09/2019
Class X Sterling Distribution Shares					GBP£235,825	
Class X Sterling Distribution	01/07/2019	31/07/2019	£0.0499	100.00	£5	01/04/2019 – 30/06/2019
Class X Sterling Distribution	01/10/2019	31/10/2019	£0.0365	6,460,832.73	£235,820	01/07/2019 – 30/09/2019
Total Distributions for European ex UK Income Fund					**EUR€10,592,333**	

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
European Income Fund						
Class R Distribution Shares					EUR€63	
Class R Euro Distribution	02/01/2019	31/01/2019	€0.1395	115.89	€16	01/07/2018 – 31/12/2018
Class R US Dollar Distribution	02/01/2019	31/01/2019	$0.1595	92.42	$15	01/07/2018 – 31/12/2018
Class R Sterling Distribution	02/01/2019	31/01/2019	£0.1252	147.63	£18	01/07/2018 – 31/12/2018
Class R Swiss Franc Distribution	02/01/2019	31/01/2019	Sfr.0.1572	95.99	Sfr.15	01/07/2018 – 31/12/2018
Class I Distribution Shares					EUR€1,767	
Class I Euro Distribution	02/01/2019	31/01/2019	€0.1438	115.98	€17	01/07/2018 – 31/12/2018
Class I US Dollar Distribution	02/01/2019	31/01/2019	$0.1644	92.50	$15	01/07/2018 – 31/12/2018
Class I Sterling Distribution	02/01/2019	31/01/2019	£0.1291	11,986.19	£1,547	01/07/2018 – 31/12/2018
Class I Swiss Franc Distribution	02/01/2019	31/01/2019	Sfr.0.1621	96.06	Sfr.16	01/07/2018 – 31/12/2018
Class S Distribution Shares					EUR€66	
Class S Euro Distribution	02/01/2019	31/01/2019	€0.1449	115.98	€17	01/07/2018 – 31/12/2018
Class S US Dollar Distribution	02/01/2019	31/01/2019	$0.1656	92.50	$15	01/07/2018 – 31/12/2018
Class S Sterling Distribution	02/01/2019	31/01/2019	£0.1301	147.76	£19	01/07/2018 – 31/12/2018
Class S Swiss Franc Distribution	02/01/2019	31/01/2019	Sfr.0.1633	96.06	Sfr.16	01/07/2018 – 31/12/2018
Total Distributions for European Income Fund					**EUR€1,896**	

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Financial Opportunities Fund						
Class R Distribution Shares					US$164,751	
Class R US Dollar Distribution	02/01/2019	31/01/2019	$0.1048	–	$0	01/01/2018 – 31/12/2018
Class R Sterling Distribution	02/01/2019	31/01/2019	£0.0823	11,701.99	£963	01/01/2018 – 31/12/2018
Class R Euro Distribution	02/01/2019	31/01/2019	€0.0917	5.49	€1	01/01/2018 – 31/12/2018
Class R Sterling Distribution	01/07/2019	31/07/2019	£0.1572	8,926.41	£1,403	01/01/2019 – 30/06/2019
Class R Euro Distribution	01/07/2019	31/07/2019	€0.1756	5.54	€1	01/01/2019 – 30/06/2019
Class I Distribution Shares					US$141,858	
Class I US Dollar Distribution	02/01/2019	31/01/2019	$0.1083	436,529.93	$47,276	01/01/2018 – 31/12/2018
Class I Sterling Distribution	02/01/2019	31/01/2019	£0.0851	982,983.05	£83,652	01/01/2018 – 31/12/2018
Class I Euro Distribution	02/01/2019	31/01/2019	€0.0948	85,231.59	€8,080	01/01/2018 – 31/12/2018
Class I US Dollar Distribution	01/07/2019	31/07/2019	$0.2073	316,742.98	$65,661	01/01/2019 – 30/06/2019
Class I Sterling Distribution	01/07/2019	31/07/2019	£0.1629	277,355.01	£45,181	01/01/2019 – 30/06/2019
Class I Euro Distribution	01/07/2019	31/07/2019	€0.1820	84,295.43	€15,342	01/01/2019 – 30/06/2019
Total Distributions for Financial Opportunities Fund					**US$306,609**	

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Convertible Fund						
Class R Distribution Shares					US$52,585	
Class R US Dollar Distribution	02/01/2019	31/01/2019	$0.0996	45,817.20	$4,563	01/10/2018 – 31/12/2018
Class R Sterling Distribution	02/01/2019	31/01/2019	£0.0782	188.87	£15	01/10/2018 – 31/12/2018
Class R Euro Distribution	02/01/2019	31/01/2019	€0.0870	56,090.48	€4,880	01/10/2018 – 31/12/2018
Class R US Dollar Distribution	01/04/2019	29/04/2019	$0.1055	45,818.38	$4,834	01/01/2019 – 31/03/2019
Class R Sterling Distribution	01/04/2019	29/04/2019	£0.0812	190.75	£15	01/01/2019 – 31/03/2019
Class R Euro Distribution	01/04/2019	29/04/2019	€0.0940	56,092.04	€5,273	01/01/2019 – 31/03/2019
Class R US Dollar Distribution	01/07/2019	31/07/2019	$0.1109	62,219.62	$6,900	01/04/2019 – 30/06/2019
Class R Sterling Distribution	01/07/2019	31/07/2019	£0.0874	192.64	£17	01/04/2019 – 30/06/2019
Class R Euro Distribution	01/07/2019	31/07/2019	€0.0976	73,829.56	€7,206	01/04/2019 – 30/06/2019
Class R US Dollar Distribution	01/10/2019	31/10/2019	$0.1054	62,250.94	$6,561	01/07/2019 – 30/09/2019
Class R Sterling Distribution	01/10/2019	31/10/2019	£0.0858	194.61	£17	01/07/2019 – 30/09/2019
Class R Euro Distribution	01/10/2019	31/10/2019	€0.0967	94,434.50	€9,132	01/07/2019 – 30/09/2019
Class I Distribution Shares					US$6,880,720	
Class I US Dollar Distribution	02/01/2019	31/01/2019	$0.1020	213,042.31	$21,730	01/10/2018 – 31/12/2018
Class I Sterling Distribution	02/01/2019	31/01/2019	£0.0800	14,023,857.91	£1,121,909	01/10/2018 – 31/12/2018
Class I Euro Distribution	02/01/2019	31/01/2019	€0.0891	190,119.98	€16,940	01/10/2018 – 31/12/2018
Class I US Dollar Distribution	01/04/2019	29/04/2019	$0.1080	220,167.31	$23,778	01/01/2019 – 31/03/2019
Class I Sterling Distribution	01/04/2019	29/04/2019	£0.0831	14,905,831.26	£1,238,675	01/01/2019 – 31/03/2019
Class I Euro Distribution	01/04/2019	29/04/2019	€0.0962	190,119.98	€18,290	01/01/2019 – 31/03/2019
Class I US Dollar Distribution	01/07/2019	31/07/2019	$0.1130	279,607.26	$31,596	01/04/2019 – 30/06/2019
Class I Sterling Distribution	01/07/2019	31/07/2019	£0.0890	16,241,151.46	£1,445,462	01/04/2019 – 30/06/2019
Class I Euro Distribution	01/07/2019	31/07/2019	€0.0995	216,134.98	€21,505	01/04/2019 – 30/06/2019
Class I US Dollar Distribution	01/10/2019	31/10/2019	$0.1084	295,951.42	$32,081	01/07/2019 – 30/09/2019
Class I Sterling Distribution	01/10/2019	31/10/2019	£0.0882	16,688,312.96	£1,471,909	01/07/2019 – 30/09/2019
Class I Euro Distribution	01/10/2019	31/10/2019	€0.0994	211,470.10	€21,020	01/07/2019 – 30/09/2019
Class S Distribution Shares					US$12,539,983	
Class S US Dollar Distribution	02/01/2019	31/01/2019	$0.0914	360,712.11	$32,969	01/10/2018 – 31/12/2018
Class S Sterling Distribution	02/01/2019	31/01/2019	£0.0717	28,617,047.04	£2,051,842	01/10/2018 – 31/12/2018
Class S Euro Distribution	02/01/2019	31/01/2019	€0.0798	10,390.69	€829	01/10/2018 – 31/12/2018
Class S US Dollar Distribution	01/04/2019	29/04/2019	$0.0968	361,713.27	$35,014	01/01/2019 – 31/03/2019
Class S Sterling Distribution	01/04/2019	29/04/2019	£0.0745	30,045,262.49	£2,238,372	01/01/2019 – 31/03/2019
Class S Euro Distribution	01/04/2019	29/04/2019	€0.0863	170.05	€15	01/01/2019 – 31/03/2019
Class S US Dollar Distribution	01/07/2019	31/07/2019	$0.1019	351,934.47	$35,862	01/04/2019 – 30/06/2019
Class S Sterling Distribution	01/07/2019	31/07/2019	£0.0803	32,929,843.11	£2,644,266	01/04/2019 – 30/06/2019
Class S Euro Distribution	01/07/2019	31/07/2019	€0.0897	171.75	€15	01/04/2019 – 30/06/2019
Class S US Dollar Distribution	01/10/2019	31/10/2019	$0.0971	339,055.77	$32,922	01/07/2019 – 30/09/2019
Class S Sterling Distribution	01/10/2019	31/10/2019	£0.0790	36,285,498.03	£2,866,554	01/07/2019 – 30/09/2019
Class S Euro Distribution	01/10/2019	31/10/2019	€0.0890	173.54	€15	01/07/2019 – 30/09/2019

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Convertible Fund continued						
Class I Hedged Sterling Distribution Shares					GBP£1,075,159	
Class I Hedged Sterling Distribution	02/01/2019	31/01/2019	£0.0872	2,990,857.34	£260,803	01/10/2018 – 31/12/2018
Class I Hedged Sterling Distribution	01/04/2019	29/04/2019	£0.0919	2,766,656.72	£254,256	01/01/2019 – 31/03/2019
Class I Hedged Sterling Distribution	01/07/2019	31/07/2019	£0.0963	2,813,305.74	£270,921	01/04/2019 – 30/06/2019
Class I Hedged Sterling Distribution	01/10/2019	31/10/2019	£0.0913	3,167,354.15	£289,179	01/07/2019 – 30/09/2019
Class S Hedged Sterling Distribution Shares					GBP£280,490	
Class S Hedged Sterling Distribution	02/01/2019	31/01/2019	£0.0882	527,801.29	£46,552	01/10/2018 – 31/12/2018
Class S Hedged Sterling Distribution	01/04/2019	29/04/2019	£0.0931	563,729.89	£52,483	01/01/2019 – 31/03/2019
Class S Hedged Sterling Distribution	01/07/2019	31/07/2019	£0.0976	873,799.77	£85,283	01/04/2019 – 30/06/2019
Class S Hedged Sterling Distribution	01/10/2019	31/10/2019	£0.0926	1,038,568.73	£96,171	01/07/2019 – 30/09/2019
Class Portfolio Currency Hedged Sterling Distribution Shares					GBP£4,271,776	
Class Portfolio Currency Hedged Sterling I Distribution	02/01/2019	31/01/2019	£0.0980	10,540,294.37	£1,032,949	01/10/2018 – 31/12/2018
Class Portfolio Currency Hedged Sterling I Distribution	01/04/2019	29/04/2019	£0.1068	9,744,332.64	£1,040,695	01/01/2019 – 31/03/2019
Class Portfolio Currency Hedged Sterling I Distribution	01/07/2019	31/07/2019	£0.1087	10,070,369.49	£1,094,649	01/04/2019 – 30/06/2019
Class Portfolio Currency Hedged Sterling I Distribution	01/10/2019	31/10/2019	£0.1045	10,559,647.59	£1,103,483	01/07/2019 – 30/09/2019
Total Distributions for Global Convertible Fund					**US$26,603,870**	

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Insurance Fund						
Class R Distribution Shares					GBP£334,016	
Class R US Dollar Distribution	02/01/2019	31/01/2019	$0.0196	10,522.95	$206	01/10/2018 – 31/12/2018
Class R Sterling Distribution	02/01/2019	31/01/2019	£0.0154	3,744,528.26	£57,666	01/10/2018 – 31/12/2018
Class R Euro Distribution	02/01/2019	31/01/2019	€0.0172	3,292.32	€57	01/10/2018 – 31/12/2018
Class R US Dollar Distribution	01/04/2019	29/04/2019	$0.0271	14,928.91	$405	01/01/2019 – 31/03/2019
Class R Sterling Distribution	01/04/2019	29/04/2019	£0.0208	3,747,330.04	£77,944	01/01/2019 – 31/03/2019
Class R Euro Distribution	01/04/2019	29/04/2019	€0.0242	6,066.07	€147	01/01/2019 – 31/03/2019
Class R US Dollar Distribution	01/07/2019	31/07/2019	$0.0434	46,319.01	$2,010	01/04/2019 – 30/06/2019
Class R Sterling Distribution	01/07/2019	31/07/2019	£0.0341	3,763,423.20	£128,333	01/04/2019 – 30/06/2019
Class R Euro Distribution	01/07/2019	31/07/2019	€0.0381	65,258.36	€2,486	01/04/2019 – 30/06/2019
Class R US Dollar Distribution	01/10/2019	31/10/2019	$0.0203	61,312.84	$1,245	01/07/2019 – 30/09/2019
Class R Sterling Distribution	01/10/2019	31/10/2019	£0.0165	3,780,607.22	£62,380	01/07/2019 – 30/09/2019
Class R Euro Distribution	01/10/2019	31/10/2019	€0.0186	135,044.98	€2,512	01/07/2019 – 30/09/2019

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Insurance Fund continued						
Class I Distribution Shares					GBP£3,036,174	
Class I US Dollar Distribution	02/01/2019	31/01/2019	$0.0205	2,025,647.65	$41,526	01/10/2018 – 31/12/2018
Class I Sterling Distribution	02/01/2019	31/01/2019	£0.0161	29,853,983.50	£480,649	01/10/2018 – 31/12/2018
Class I Euro Distribution	02/01/2019	31/01/2019	€0.0179	1,444,883.01	€25,863	01/10/2018 – 31/12/2018
Class I US Dollar Distribution	01/04/2019	29/04/2019	$0.0281	1,801,831.36	$50,631	01/01/2019 – 31/03/2019
Class I Sterling Distribution	01/04/2019	29/04/2019	£0.0215	31,137,035.47	£669,446	01/01/2019 – 31/03/2019
Class I Euro Distribution	01/04/2019	29/04/2019	€0.0250	1,395,768.55	€34,894	01/01/2019 – 31/03/2019
Class I US Dollar Distribution	01/07/2019	31/07/2019	$0.0452	2,098,372.49	$94,846	01/04/2019 – 30/06/2019
Class I Sterling Distribution	01/07/2019	31/07/2019	£0.0355	30,019,455.40	£1,065,691	01/04/2019 – 30/06/2019
Class I Euro Distribution	01/07/2019	31/07/2019	€0.0397	1,412,516.57	€56,077	01/04/2019 – 30/06/2019
Class I US Dollar Distribution	01/10/2019	31/10/2019	$0.0211	2,143,679.65	$45,232	01/07/2019 – 30/09/2019
Class I Sterling Distribution	01/10/2019	31/10/2019	£0.0172	29,881,619.93	£513,964	01/07/2019 – 30/09/2019
Class I Euro Distribution	01/10/2019	31/10/2019	€0.0194	1,179,701.31	€22,886	01/07/2019 – 30/09/2019
Class A Sterling Distribution Shares					GBP£78,356	
Class A Sterling Distribution	02/01/2019	31/01/2019	£0.0158	3,000,425.14	£47,407	01/10/2018 – 31/12/2018
Class A Sterling Distribution	01/04/2019	29/04/2019	£0.0212	436,979.16	£9,264	01/01/2019 – 31/03/2019
Class A Sterling Distribution	01/07/2019	31/07/2019	£0.0349	435,074.09	£15,184	01/04/2019 – 30/06/2019
Class A Sterling Distribution	01/10/2019	31/10/2019	£0.0169	384,672.84	£6,501	01/07/2019 – 30/09/2019
Class E Sterling Distribution Shares					GBP£5,403,989	
Class E Sterling Distribution	02/01/2019	31/01/2019	£0.0164	59,895,839.06	£982,292	01/10/2018 – 31/12/2018
Class E Sterling Distribution	01/04/2019	29/04/2019	£0.0221	62,199,870.82	£1,374,617	01/01/2019 – 31/03/2019
Class E Sterling Distribution	01/07/2019	31/07/2019	£0.0363	55,205,493.99	£2,052,915	01/04/2019 – 30/06/2019
Class E Sterling Distribution	01/10/2019	31/10/2019	£0.0176	56,486,670.06	£994,165	01/07/2019 – 30/09/2019
Total Distributions for Global Insurance Fund					**GBP£8,852,535**	

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Healthcare Blue Chip Fund						
Class I Distribution Shares					US$36,442	
Class I US Dollar Distribution	02/01/2019	31/01/2019	$0.1472	18,361.32	$2,703	01/10/2018 – 31/12/2018
Class I Sterling Distribution	02/01/2019	31/01/2019	£0.1155	222,533.99	£25,703	01/10/2018 – 31/12/2018
Class I Euro Distribution	02/01/2019	31/01/2019	€0.1287	6,826.45	€879	01/10/2018 – 31/12/2018
Class S Sterling Hedged Distribution Shares					GBP£24,504	
Class S Sterling Hedged Distribution	02/01/2019	31/01/2019	£0.1523	160,895.13	£24,504	01/10/2018 – 31/12/2018
Class S Distribution Shares					US$505,307	
Class S US Dollar Distribution	02/01/2019	31/01/2019	$0.1481	22,466.65	$3,327	01/10/2018 – 31/12/2018
Class S Sterling Distribution	02/01/2019	31/01/2019	£0.1163	263,095.91	£30,598	01/10/2018 – 31/12/2018
Class SI US Dollar Distribution	02/01/2019	31/01/2019	$0.0890	3,420.89	$304	01/10/2018 – 31/12/2018
Class SI Sterling Distribution	02/01/2019	31/01/2019	£0.0699	5,197,502.62	£363,305	01/10/2018 – 31/12/2018
Total Distributions for Healthcare Blue Chip Fund					**US$572,960**	

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Income Opportunities Fund						
Class A1 and R Distribution Shares					GBP£546,527	
Class A1 Sterling Distribution	02/01/2019	31/01/2019	£0.0150	6,404,731.43	£96,071	01/10/2018 – 31/12/2018
Class R US Dollar Distribution	02/01/2019	31/01/2019	$0.0191	3,825,852.87	$73,074	01/10/2018 – 31/12/2018
Class R Euro Distribution	02/01/2019	31/01/2019	€0.0167	534,464.51	€8,926	01/10/2018 – 31/12/2018
Class A1 Sterling Distribution	01/04/2019	29/04/2019	£0.0150	6,009,047.35	£90,136	01/01/2019 – 31/03/2019
Class R US Dollar Distribution	01/04/2019	29/04/2019	$0.0191	3,400,622.76	$64,952	01/01/2019 – 31/03/2019
Class R Euro Distribution	01/04/2019	29/04/2019	€0.0167	487,218.46	€8,137	01/01/2019 – 31/03/2019
Class A1 Sterling Distribution	01/07/2019	31/07/2019	£0.0150	5,192,303.18	£77,885	01/04/2019 – 30/06/2019
Class R US Dollar Distribution	01/07/2019	31/07/2019	$0.0191	2,636,434.17	$50,356	01/04/2019 – 30/06/2019
Class R Euro Distribution	01/07/2019	31/07/2019	€0.0168	487,225.99	€8,185	01/04/2019 – 30/06/2019
Class A1 Sterling Distribution	01/10/2019	31/10/2019	£0.0150	4,811,697.84	£72,175	01/07/2019 – 30/09/2019
Class R US Dollar Distribution	01/10/2019	31/10/2019	$0.0185	2,158,290.81	$39,928	01/07/2019 – 30/09/2019
Class R Euro Distribution	01/10/2019	31/10/2019	€0.0170	487,233.68	€8,283	01/07/2019 – 30/09/2019
Class B1 and I Distribution Shares					GBP£1,441,426	
Class B1 Sterling Distribution	02/01/2019	31/01/2019	£0.0155	26,597,169.13	£412,256	01/10/2018 – 31/12/2018
Class I US Dollar Distribution	02/01/2019	31/01/2019	$0.0197	851,093.24	$16,767	01/10/2018 – 31/12/2018
Class I Euro Distribution	02/01/2019	31/01/2019	€0.0173	650.08	€11	01/10/2018 – 31/12/2018
Class B1 Sterling Distribution	01/04/2019	29/04/2019	£0.0155	21,256,620.80	£329,478	01/01/2019 – 31/03/2019
Class I US Dollar Distribution	01/04/2019	29/04/2019	$0.0197	851,099.65	$16,767	01/01/2019 – 31/03/2019
Class I Euro Distribution	01/04/2019	29/04/2019	€0.0173	657.26	€11	01/01/2019 – 31/03/2019
Class B1 Sterling Distribution	01/07/2019	31/07/2019	£0.0158	20,908,846.60	£329,314	01/04/2019 – 30/06/2019
Class I US Dollar Distribution	01/07/2019	31/07/2019	$0.0200	559,064.22	$11,181	01/04/2019 – 30/06/2019
Class I Euro Distribution	01/07/2019	31/07/2019	€0.0176	664.39	€12	01/04/2019 – 30/06/2019
Class B1 Sterling Distribution	01/10/2019	31/10/2019	£0.0158	20,720,139.16	£326,342	01/07/2019 – 30/09/2019
Class I US Dollar Distribution	01/10/2019	31/10/2019	$0.0194	559,070.96	$10,846	01/07/2019 – 30/09/2019
Class I Euro Distribution	01/10/2019	31/10/2019	€0.0178	671.76	€12	01/07/2019 – 30/09/2019
Class R Euro Hedged Distribution Shares					EUR€200,615	
Class R Euro Hedged Distribution	02/01/2019	31/01/2019	€0.1250	485,764.76	€60,721	01/10/2018 – 31/12/2018
Class R Euro Hedged Distribution	01/04/2019	29/04/2019	€0.1250	473,466.02	€59,183	01/01/2019 – 31/03/2019
Class R Euro Hedged Distribution	01/07/2019	31/07/2019	€0.1275	339,587.24	€43,297	01/04/2019 – 30/06/2019
Class R Euro Hedged Distribution	01/10/2019	31/10/2019	€0.1275	293,442.30	€37,414	01/07/2019 – 30/09/2019

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Income Opportunities Fund continued						
Class I Euro Hedged Distribution Shares					EUR€4,131	
Class I Euro Hedged Distribution	02/01/2019	31/01/2019	€0.1250	9,011.79	€1,126	01/10/2018 – 31/12/2018
Class I Euro Hedged Distribution	01/04/2019	29/04/2019	€0.1250	8,913.04	€1,114	01/01/2019 – 31/03/2019
Class I Euro Hedged Distribution	01/07/2019	31/07/2019	€0.1275	8,914.24	€1,137	01/04/2019 – 30/06/2019
Class I Euro Hedged Distribution	01/10/2019	31/10/2019	€0.1275	5,915.48	€754	01/07/2019 – 30/09/2019
Class R US Dollar Hedged Distribution Shares					US$867,853	
Class R US Dollar Hedged Distribution	02/01/2019	31/01/2019	$0.1050	2,541,028.42	$266,808	01/10/2018 – 31/12/2018
Class R US Dollar Hedged Distribution	01/04/2019	29/04/2019	€0.1050	2,157,146.56	$226,500	01/01/2019 – 31/03/2019
Class R US Dollar Hedged Distribution	01/07/2019	31/07/2019	€0.1075	1,790,727.66	$192,503	01/04/2019 – 30/06/2019
Class R US Dollar Hedged Distribution	01/10/2019	31/10/2019	€0.1075	1,693,406.79	€182,041	01/07/2019 – 30/09/2019
Class Z Sterling Distribution Shares						
Class Z Sterling Distribution	01/04/2019	29/04/2019	£0.0243	100.00	£2	01/01/2019 – 31/03/2019
Total Distributions for Income Opportunities Fund					**GBP£2,857,429**	

31 December 2019	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
UK Value Opportunities Fund						
Class I Sterling Distribution	02/01/2019	31/01/2019	£0.2497	4,502,110.62	£1,124,177	01/01/2018 – 31/12/2018
Class S Sterling Distribution	02/01/2019	31/01/2019	£0.2674	23,880,030.95	£6,385,520	01/01/2018 – 31/12/2018
Total Distributions for UK Value Opportunities Fund					**GBP£7,509,697**	

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

The following distributions were declared in respect of the Company on 4 January 2021 and are therefore not accrued in the financial statements for the financial year ended 31 December 2020:

2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Emerging Markets Income Fund						
Class R US Dollar Distributing Shares					US$42,618	
Class R US Dollar Distribution	04/01/2021	29/01/2021	$0.1928	184,145.33	$35,503	01/07/2020 – 31/12/2020
Class R Sterling Distribution	04/01/2021	29/01/2021	£0.1410	25,060.34	£3,534	01/07/2020 – 31/12/2020
Class R Euro Distribution	04/01/2021	29/01/2021	€0.1576	11,850.00	€1,868	01/07/2020 – 31/12/2020
Class I US Dollar Distributing Shares					US$547,478	
Class I US Dollar Distribution	04/01/2021	29/01/2021	$0.1988	38,469.45	$7,648	01/07/2020 – 31/12/2020
Class I Sterling Distribution	04/01/2021	29/01/2021	£0.1454	2,702,764.09	£392,982	01/07/2020 – 31/12/2020
Class I Euro Distribution	04/01/2021	29/01/2021	€0.1625	13,297.88	€2,161	01/07/2020 – 31/12/2020
Class S US Dollar Distributing Shares					US$1,422,256	
Class S US Dollar Distribution	04/01/2021	29/01/2021	$0.2034	430,329.28	$87,529	01/07/2020 – 31/12/2020
Class S Sterling Distribution	04/01/2021	29/01/2021	£0.1488	6,561,990.98	£976,424	01/07/2020 – 31/12/2020
Class S Euro Distribution	04/01/2021	29/01/2021	€0.1662	18.72	€3	01/07/2020 – 31/12/2020
Total Distributions for Emerging Markets Income Fund					**US$2,012,353**	

2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
European ex UK Income Fund						
Class I Sterling Distribution Shares					GBP£15,408	
Class I Sterling Distribution	04/01/2021	29/01/2021	£0.0425	362,529.80	£15,408	01/10/2020 – 31/12/2020
Class S Sterling Distribution Shares					GBP£152,214	
Class S Sterling Distribution	04/01/2021	29/01/2021	£0.0427	3,564,728.26	£152,214	01/10/2020 – 31/12/2020
Class I Sterling Hedged Distribution Shares					GBP£429	
Class I Sterling Hedged Distribution	04/01/2021	29/01/2021	£0.0479	8,959.33	£429	01/10/2020 – 31/12/2020
Class S Sterling Hedged Distribution Shares					GBP£167,971	
Class S Sterling Hedged Distribution	04/01/2021	29/01/2021	£0.0482	3,484,879.51	£167,971	01/10/2020 – 31/12/2020
Class X Sterling Distribution Shares					GBP£359,707	
Class X Sterling Distribution	04/01/2021	29/01/2021	£0.0479	7,509,537.69	£359,707	01/10/2020 – 31/12/2020
Total Distributions for European ex UK Income Fund					**EUR€777,268**	

2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Financial Opportunities Fund						
Class R US Dollar Distributing Shares					US$627	
Class R US Dollar Distribution	04/01/2021	29/01/2021	$0.0775	8.65	$1	01/07/2020 – 31/12/2020
Class R Sterling Distribution	04/01/2021	29/01/2021	£0.0567	8,073.08	£458	01/07/2020 – 31/12/2020
Class R Euro Distribution	04/01/2021	29/01/2021	€0.0634	5.75	€0	01/07/2020 – 31/12/2020
Class I US Dollar Distributing Shares					US$34,197	
Class I US Dollar Distribution	04/01/2021	29/01/2021	$0.0810	8,715.19	$706	01/07/2020 – 31/12/2020
Class I Sterling Distribution	04/01/2021	29/01/2021	£0.0592	325,402.00	£19,264	01/07/2020 – 31/12/2020
Class I Euro Distribution	04/01/2021	29/01/2021	€0.0662	88,378.04	€5,851	01/07/2020 – 31/12/2020
Class S US Dollar Distributing Shares					US$14,329	
Class S US Dollar Distribution	04/01/2021	29/01/2021	$0.0537	266,814.07	$14,328	01/07/2020 – 31/12/2020
Class S Sterling Distribution	04/01/2021	29/01/2021	£0.0393	13.12	£1	01/07/2020 – 31/12/2020
Total Distributions for Financial Opportunities Fund					**US$49,153**	

2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Convertible Fund						
Class R US Dollar Distributing Shares					US$32,597	
Class R US Dollar Distribution	04/01/2021	29/01/2021	$0.1329	79,412.44	$10,554	01/10/2020 – 31/12/2020
Class R Sterling Distribution	04/01/2021	29/01/2021	£0.0972	11,133.95	£1,082	01/10/2020 – 31/12/2020
Class R Euro Distribution	04/01/2021	29/01/2021	€0.1086	154,760.02	€16,807	01/10/2020 – 31/12/2020
Class I US Dollar Distributing Shares					US$2,398,205	
Class I US Dollar Distribution	04/01/2021	29/01/2021	$0.1374	315,515.65	$43,352	01/10/2020 – 31/12/2020
Class I Sterling Distribution	04/01/2021	29/01/2021	£0.1005	16,920,483.65	£1,700,509	01/10/2020 – 31/12/2020
Class I Euro Distribution	04/01/2021	29/01/2021	€0.1123	220,827.65	€24,799	01/10/2020 – 31/12/2020
Class S US Dollar Distributing Shares					US$3,602,241	
Class S US Dollar Distribution	04/01/2021	29/01/2021	$0.1239	257,825.17	$31,945	01/10/2020 – 31/12/2020
Class S Sterling Distribution	04/01/2021	29/01/2021	£0.0906	28,828,416.57	£2,611,855	01/10/2020 – 31/12/2020
Class S Euro Distribution	04/01/2021	29/01/2021	€0.1013	177.61	€18	01/10/2020 – 31/12/2020
Class I Hedged Sterling Distributing Shares					GBP£302,241	
Class I Hedged Sterling Distribution	04/01/2021	29/01/2021	£0.1126	2,684,201.59	£302,241	01/10/2020 – 31/12/2020
Class S Hedged Sterling Distributing Shares					GBP£28,719	
Class S Hedged Sterling Distribution	04/01/2021	29/01/2021	£0.1149	249,944.04	£28,719	01/10/2020 – 31/12/2020
Class Portfolio Currency Hedged Sterling I Distribution Shares					GBP£719,738	
Class Portfolio Currency Hedged Sterling I Distribution	04/01/2021	29/01/2021	£0.1264	5,694,126.09	£719,738	01/10/2020 – 31/12/2020
Class Portfolio Currency Hedged Sterling S Distribution Shares					GBP£926,449	
Class Portfolio Currency Hedged Sterling S Distribution	04/01/2021	29/01/2021	£0.1272	7,283,401.95	£926,449	01/10/2020 – 31/12/2020
Total Distributions for Global Convertible Fund					**US$8,735,704**	

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

13. Distributions continued

2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Global Insurance Fund						
Class R Sterling Distributing Shares					GBP£44,286	
Class R US Dollar Distribution	04/01/2021	29/01/2021	$0.0158	183,593.67	$2,901	01/10/2020 – 31/12/2020
Class R Sterling Distribution	04/01/2021	29/01/2021	£0.0116	3,297,183.74	£38,247	01/10/2020 – 31/12/2020
Class R Euro Distribution	04/01/2021	29/01/2021	€0.0129	339,184.57	€4,375	01/10/2020 – 31/12/2020
Class I Sterling Distributing Shares					GBP£479,719	
Class I US Dollar Distribution	04/01/2021	29/01/2021	$0.0166	2,622,511.76	$43,534	01/10/2020 – 31/12/2020
Class I Sterling Distribution	04/01/2021	29/01/2021	£0.0121	35,407,929.14	£428,436	01/10/2020 – 31/12/2020
Class I Euro Distribution	04/01/2021	29/01/2021	€0.0135	1,608,410.52	€21,714	01/10/2020 – 31/12/2020
Class A Sterling Distributing Shares					GBP£3,203	
Class A Sterling Distribution	04/01/2021	29/01/2021	£0.0119	269,147.73	£3,203	01/10/2020 – 31/12/2020
Class E Sterling Distributing Shares					GBP£1,213,405	
Class E Sterling Distribution	04/01/2021	29/01/2021	£0.0125	97,072,435.09	£1,213,405	01/10/2020 – 31/12/2020
Total Distributions for Global Insurance Fund					**GBP£1,740,613**	

2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Healthcare Blue Chip						
Class I US Dollar Distributing Shares					US$22,663	
Class I US Dollar Distribution	04/01/2021	29/01/2021	$0.0999	3,735.94	$373	01/01/2020 – 31/12/2020
Class I Sterling Distribution	04/01/2021	29/01/2021	£0.0731	195,400.71	£14,284	01/01/2020 – 31/12/2020
Class I Euro Distribution	04/01/2021	29/01/2021	€0.0817	41,397.30	€3,382	01/01/2020 – 31/12/2020
Class S US Dollar Distributing Shares					US$5,244	
Class S US Dollar Distribution	04/01/2021	29/01/2021	$0.1008	52.84	$5	01/01/2020 – 31/12/2020
Class S Sterling Distribution	04/01/2021	29/01/2021	£0.0737	52,002.12	£3,833	01/01/2020 – 31/12/2020
Class SI US Dollar Distributing Shares					US$436,361	
Class SI US Dollar Distribution	04/01/2021	29/01/2021	$0.0891	11,827.67	$1,054	01/01/2020 – 31/12/2020
Class SI Sterling Distribution	04/01/2021	29/01/2021	£0.0652	4,884,223.92	£318,451	01/01/2020 – 31/12/2020
Class S Sterling Hedged Distribution Shares					GBP£13	
Class S Sterling Hedged Distribution	04/01/2021	29/01/2021	£0.0900	102.09	£9	01/01/2020 – 31/12/2020
Total Distributions for Healthcare Blue Chip					**US$464,280**	

2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
Income Opportunities Fund						
Class A1 Sterling Distribution Shares					GBP£221,307	
Class A1 Sterling Distribution	04/01/2021	29/01/2021	£0.0150	4,548,292.88	£68,224	01/10/2020 – 31/12/2020
Class R US Dollar Distribution	04/01/2021	29/01/2021	$0.0205	1,602,401.91	$32,849	01/10/2020 – 31/12/2020
Class R Euro Distribution	04/01/2021	29/01/2021	€0.0168	439,627.83	€7,386	01/10/2020 – 31/12/2020
Class B1 Sterling Distribution Shares					GBP£462,386	
Class B1 Sterling Distribution	04/01/2021	29/01/2021	£0.0158	5,330,212.50	£83,951	01/10/2020 – 31/12/2020
Class I US Dollar Distribution	04/01/2021	29/01/2021	$0.0215	309,794.69	$6,661	01/10/2020 – 31/12/2020
Class I Euro Distribution	04/01/2021	29/01/2021	€0.0176	714.50	€13	01/10/2020 – 31/12/2020
Class R Euro Hedged Distribution Shares					EUR€19,167	
Class R Euro Hedged Distribution	04/01/2021	29/01/2021	€0.1275	150,328.19	€19,167	01/10/2020 – 31/12/2020
Class I Euro Hedged Distribution Shares					EUR€118	
Class I Euro Hedged Distribution	04/01/2021	29/01/2021	€0.1275	922.91	€118	01/10/2020 – 31/12/2020
Class R US Dollar Hedged Distribution Shares					US$136,718	
Class R US Dollar Hedged Distribution	04/01/2021	29/01/2021	$0.1125	1,215,267.40	$136,718	01/10/2020 – 31/12/2020
Total Distributions for Income Opportunities Fund					**GBP£304,979**	

2020	Date declared	Date of payment	Rate per share	No. of shares	Amount	Relevant period
UK Value Opportunities Fund						
Class I Sterling Distribution	04/01/2021	29/01/2021	£0.0704	7,084,022.33	£498,715	01/01/2020 – 31/12/2020
Class S Sterling Distribution	04/01/2021	29/01/2021	£0.0785	50,401,255.94	£3,956,499	01/01/2020 – 31/12/2020
Total Distributions for UK Value Opportunities Fund					**GBP£4,455,214**	

14. FCA Side Letter Policy

The Financial Conduct Authority (FCA) in the United Kingdom, which regulates the Investment Manager, expects all investment managers authorised and regulated by the FCA to write to investors in the funds managed by them with details of any Side Letter that may have been entered into by the Investment Manager. The FCA considers a Side Letter to be an arrangement which can reasonably be expected to provide an investor with materially more favourable rights than other investors, such as enhanced redemption rights or the provision of portfolio information which are not generally available. The Investment Manager has confirmed to the Company that it is not aware or party to an arrangement whereby an investor has any preferential redemption terms. However in exceptional circumstances, for example where an investor seeds a new Fund, the Investment Manager has provided investors on the Fund's behalf with portfolio information and capacity commitments.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

15. Transaction Costs

During the financial year ended 31 December 2020 and 31 December 2019, the Funds incurred transaction costs in the purchase and sale of investments as follows:

	Currency	31 December 2020	31 December 2019
Asian Opportunities Fund	US$	84,199	63,982
Asian Stars Fund	US$	18,360	37,120
Automation & Artificial Intelligence Fund	US$	469,984	194,999
Biotechnology Fund	US$	923,665	400,211
China Stars Fund	US$	19,064	26,102
Emerging Markets Income Fund	US$	147,435	171,706
Emerging Market Stars Fund	US$	385,814	80,298
European ex UK Income Fund	EUR	235,378	175,934
Financial Opportunities Fund	US$	24,586	31,989
Global Absolute Return Fund	US$	44	232
Global Convertible Fund	US$	8,333	–
Global Insurance Fund	GBP	549,370	365,920
Global Technology Fund	US$	7,935,186	2,225,658
Healthcare Blue Chip Fund	US$	224,789	268,707
Healthcare Discovery Fund	US$	31,174	–
Healthcare Opportunities Fund	US$	6,122,316	5,260,002
Income Opportunities Fund	GBP	54,523	109,459
Japan Fund	JPY	–	79,514,216.00
Japan Value Fund	JPY	24,961,267	7,066,852
North American Fund	US$	872,064	811,406
UK Absolute Equity Fund	GBP	–	3,177,944.68
UK Value Opportunities Fund	GBP	3,327,707	3,680,418

For further information regarding the accounting policy for transaction costs please refer to Note 2.

16. Reconciliation to US GAAP

The following adjustments would be required to these financial statements in order to reflect the redemptions payable on 1 January 2021, as required by US GAAP. The adjustments relate to the below funds. The effects of the adjustments for the remaining Funds are not material in the context of the financial statements.

	Automation & Artificial Intelligence Fund 2020 US$	Biotechnology Fund 2020 US$	China Stars Fund 2020 US$	Emerging Markets Income Fund 2020 US$
Net Assets at 31 December 2020, under IFRS	753,361,100	1,256,438,007	13,974,480	104,412,469
Redemptions payable 1 January 2021	(49,810)	(503,850)	(76,907)	(1,588)
Net Assets at 31 December 2020, under US GAAP	753,311,290	1,255,934,157	13,897,573	104,410,881

	Emerging Market Stars Fund 2020 US$	European ex UK Fund 2020 EUR€	Financial Opportunities Fund 2020 US$	Global Convertible Fund 2020 US$
Net Assets at 31 December 2020, under IFRS	370,603,749	190,978,232	10,805,493	1,047,829,601
Redemptions payable 1 January 2021	(239,856)	(719)	(88)	(142,235)
Net Assets at 31 December 2020, under US GAAP	370,363,893	190,977,513	10,805,405	1,047,687,366

	Global Insurance Fund 2020 GBP£	Global Technology Fund 2020 US$	Healthcare Blue Chip Fund 2020 US$	Healthcare Discovery Fund 2020 US$
Net Assets at 31 December 2020, under IFRS	1,587,832,431	8,655,795,829	92,030,247	48,456,796
Redemptions payable 1 January 2021	(235,056)	(1,217,257)	(76,497)	–
Net Assets at 31 December 2020, under US GAAP	1,587,597,375	8,654,578,572	91,953,750	48,456,796

	Healthcare Opportunities Fund 2020 US$	Income Opportunities Fund 2020 GBP£	Japan Value Fund 2020 JPY ¥	North American Fund 2020 US$
Net Assets at 31 December 2020, under IFRS	2,124,581,345	59,679,614	17,953,295,439	1,055,161,717
Redemptions payable 1 January 2021	(316,479)	(8,584)	(2,891,956)	(178,781)
Net Assets at 31 December 2020, under US GAAP	2,124,264,866	59,671,030	17,950,403,483	1,054,982,936

	UK Value Opportunities Fund 2020 GBP£
Net Assets at 31 December 2020, under IFRS	1,148,193,906
Redemptions payable 1 January 2021	(164,178)
Net Assets at 31 December 2020, under US GAAP	1,148,029,728

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

The following adjustments would be required to these financial statements in order to reflect the redemptions payable on 1 January 2020, as required by US GAAP. The adjustments relate to the below funds. The effects of the adjustments for the remaining Funds are not material in the context of the financial statements.

	Automation & Artificial Intelligence Fund 2019 US$	Biotechnology Fund 2019 US$	China Stars Fund 2019 US$	Emerging Markets Income Fund 2019 US$
Net Assets at 31 December 2019, under IFRS	432,973,479	545,642,821	7,415,096	147,974,671
Redemptions payable 1 January 2020	(12,326)	(196,059)	(144)	(72,737)
Net Assets at 31 December 2019, under US GAAP	432,961,153	545,446,762	7,414,952	147,901,934

	Emerging Market Stars Fund 2019 US$	European ex UK Fund 2019 EUR€	Financial Opportunities Fund 2019 US$	Global Convertible Fund 2019 US$
Net Assets at 31 December 2019, under IFRS	42,996,000	270,262,166	18,801,517	918,616,595
Redemptions payable 1 January 2020	(25)	(713)	(14,162)	(56,958)
Net Assets at 31 December 2019, under US GAAP	42,995,975	270,261,453	18,787,355	918,559,637

	Global Insurance Fund 2019 GBP£	Global Technology Fund 2019 US$	Healthcare Blue Chip Fund 2019 US$	Healthcare Opportunities Fund 2019 US$
Net Assets at 31 December 2019, under IFRS	1,552,466,425	3,650,300,379	92,465,732	1,628,715,705
Redemptions payable 1 January 2020	(1,015,499)	(2,720,880)	(43,192)	(368,592)
Net Assets at 31 December 2019, under US GAAP	1,551,450,926	3,647,579,499	92,422,540	1,628,347,113

	Income Opportunities Fund 2019 GBP£	Japan Value Fund 2019 JPY ¥	North American Fund 2019 US$	UK Absolute Equity Fund 2019 GBP£
Net Assets at 31 December 2019, under IFRS	164,158,552	40,871,864,753	2,072,514,390	509,468,363
Redemptions payable 1 January 2020	(62,996)	(51,710,432)	(6,070,973)	(489,422)
Net Assets at 31 December 2019, under US GAAP	164,095,556	40,820,154,321	2,066,443,417	508,978,941

	UK Value Opportunities Fund 2019 GBP£
Net Assets at 31 December 2019, under IFRS	1,266,549,127
Redemptions payable 1 January 2020	(74,001)
Net Assets at 31 December 2019, under US GAAP	1,266,475,126

The following summarises the Company's financial highlights for the financial year ended 31 December 2020.

Financial Highlights

For the financial year ended 31 December 2020

	Asian Opportunities Fund 31 December 2020 Class I USD Distribution US$	Asian Stars Fund 31 December 2020 Class I USD Accumulation US$	Automation & Artificial Intelligence Fund 31 December 2020 Class I USD Accumulation US$	Biotechnology Fund 31 December 2020 Class I USD Distribution US$
For a participating share outstanding throughout the financial year ended 31 December 2020				
Net investment gain/(loss)*	–	(0.02)	(0.02)	(0.03)
Net realised and unrealised (loss)/ gain	1.90	5.48	5.03	11.42
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net (decrease)/increase in net asset value	1.90	5.46	5.01	11.39
Net asset value at beginning of financial year	14.14	12.66	12.83	27.88
Net asset value at end of financial year	16.04	18.12	17.84	39.27
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	13.44%	44.50%	41.30%	42.33%
Performance fee	–	(1.37)%	(2.25)%	(1.48)%
Total return after performance fee	13.44%	43.13%	39.05%	40.85%
Ratios to average net assets:				
Expenses to average net assets	(2.13)%	(1.32)%	(1.14)%	(1.26)%
Performance fee	–	(1.37)%	(2.25)%	(1.48)%
Total expenses	(2.13)%	(2.69)%	(3.39)%	(2.74)%
Net investment income/(loss) to average net assets:				
Net investment income/(loss) before performance fee	(0.13)%	(0.53)%	(0.24)%	(1.18)%
Performance fee	–	(1.37)%	(2.25)%	(1.48)%
Total net investment income/loss	(0.13)%	(1.90)%	(2.49)%	(2.66)%

* Average net assets held during the financial year were used for this calculation.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

Financial Highlights continued

For the financial year ended 31 December 2020 continued

	China Stars Fund 31 December 2020 Class I USD Accumulation US$	Emerging Markets Income Fund 31 December 2020 Class I USD Accumulation US$	Emerging Market Stars Fund 31 December 2020 Class I USD Accumulation US$	European ex UK Income Fund 31 December 2020 Class I Euro Accumulation EUR
For a participating share outstanding throughout the financial year ended 31 December 2020				
Net investment income*	–	0.02	(0.02)	0.05
Net realised and unrealised (loss)/gain	5.13	0.02	4.18	(1.46)
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net (decrease)/increase in net asset value	5.13	0.04	4.16	(1.41)
Net asset value at beginning of financial year	11.36	13.29	10.97	12.91
Net asset value at end of financial year	16.49	13.33	15.13	11.50
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	45.44%	0.30%	40.01%	(10.92)%
Performance fee	(0.28)%	–	(2.09)%	–
Total return after performance fee	45.16%	0.30%	37.92%	(10.92)%
Ratios to average net assets:				
Expenses to average net assets	(1.32)%	(1.55)%	(1.28)%	(1.04)%
Performance fee	(0.28)%	–	(2.09)%	–
Total expenses	(1.60)%	(1.55)%	(3.37)%	(1.04)%
Net investment income/(loss) to average net assets:				
Net investment (loss) before performance fee	0.22%	1.95%	(0.24)%	5.03%
Performance fee	(0.28)%	–	(2.09)%	–
Total net investment income	(0.06)%	1.95%	(2.33)%	5.03%

* Average net assets held during the financial year were used for this calculation.

	Financial Opportunities Fund 31 December 2020 Class I USD Accumulation US$	Global Absolute Return Fund 31 December 2020 Class I USD Accumulation US$	Global Convertible Fund 31 December 2020 Class I USD Accumulation US$	Global Insurance Fund 31 December 2020 Class I Sterling Accumulation GBP
For a participating share outstanding throughout the financial year ended 31 December 2020				
Net investment income/(loss)*	(0.02)	–	0.02	0.01
Net realised and unrealised (loss)/ gain	(0.38)	23.17	3.78	(0.43)
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net (decrease)/increase in net asset value	(0.40)	23.17	3.80	(0.42)
Net asset value at beginning of financial year	15.10	102.29	13.61	7.53
Net asset value at end of financial year	14.70	125.46	17.41	7.11
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	(2.65)%	24.87%	27.92%	(5.60)%
Performance fee	–	(2.22)%	–	0.02%
Total return after performance fee	(2.65)%	22.65%	27.92%	(5.58)%
Ratios to average net assets:				
Expenses to average net assets	(3.71)%	(1.48)%	(1.03)%	(1.19)%
Performance fee	–	(2.22)%	–	0.02%
Total expenses	(3.71)%	(3.70)%	(1.03)%	(1.17)%
Net investment income/(loss) to average net assets:				
Net investment (loss)/income before performance fee	(1.50)%	1.97%	1.56%	0.71%
Performance fee	–	(2.22)%	–	0.02%
Total net investment income	(1.50)%	(0.25)%	1.56%	0.73%

* Average net assets held during the financial year were used for this calculation.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

Financial Highlights continued

For the financial year ended 31 December 2020 continued

	Global Technology Fund 31 December 2020 Class I USD Distribution US$	Healthcare Blue Chip Fund 31 December 2020 Class I USD Accumulation US$	Healthcare Discovery Fund 31 December 2020 Class I USD Accumulation US$	Healthcare Opportunities Fund 31 December 2020 Class I USD Distribution US$
For a participating share outstanding throughout the financial year ended 31 December 2020				
Net investment income/(loss)*	(0.01)	–	(0.03)	(0.01)
Net realised and unrealised gain/(loss)	32.56	1.17	5.08	10.20
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net increase/(decrease) in net asset value	32.55	1.17	5.05	10.19
Net asset value at beginning of financial year	55.06	14.87	10.00	54.39
Net asset value at end of financial year	87.61	16.04	15.05	64.58
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	59.69%	7.88%	52.32%	18.77%
Performance fee	(0.57)%	–	(1.81)%	(0.03)%
Total return after performance fee	59.12%	7.88%	50.51%	18.74%
Ratios to average net assets:				
Expenses to average net assets	(1.25)%	(1.25)%	(1.86)%	(1.30)%
Performance fee	(0.57)%	–	(1.81)%	(0.03)%
Total expenses	(1.82)%	(1.25)%	(3.67)%	(1.33)%
Net investment (loss)/income to average net assets:				
Net investment (loss)/income before performance fee	(0.77)%	(0.39)%	(1.51)%	(0.63)%
Performance fee	(0.57)%	–	(1.81)%	(0.03)%
Total net investment (loss)/income	(1.34)%	(0.39)%	(3.32)%	(0.66)%

* Average net assets held during the financial year were used for this calculation.

	Income Opportunities 31 December 2020 Class B2 Sterling Accumulation GBP	Japan Value Fund 31 December 2020 Class S JPY Distribution JPY	North American Fund 31 December 2020 Class I USD Distribution US$	UK Absolute Equity Fund** 31 December 2020 Class I Sterling Distribution GBP
For a participating share outstanding throughout the financial year ended 31 December 2020				
Net investment income*	–	–	–	–
Net realised and unrealised loss	(0.08)	(33.29)	4.13	–
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net increase/(decrease) in net asset value	(0.08)	(33.29)	4.13	–
Net asset value at beginning of financial year	2.41	272.32	27.26	–
Net asset value at end of financial year	2.33	239.03	31.39	–
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	(2.93)%	(12.22)%	15.15%	–
Performance fee	(0.49)%	–	–	–
Total return after performance fee	(3.42)%	(12.22)%	15.15%	–
Ratios to average net assets:				
Expenses to average net assets	(0.78)%	(0.70)%	(1.14)%	–
Performance fee	(0.49)%	–	–	–
Total expenses	(1.27)%	(0.70)%	(1.14)%	–
Net investment (loss)/income to average net assets:				
Net investment (loss)/income before performance fee	0.49%	0.25%	0.01%	–
Performance fee	(0.49)%	–	–	–
Total net investment (loss)/income	–	0.25%	0.01%	–

* Average net assets held during the financial year were used for this calculation.

** UK Absolute Equity fund terminated May 15 2020.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

Financial Highlights continued

For the financial year ended 31 December 2020 continued

	UK Value Opportunities Fund 31 December 2020 Class I Sterling Accumulation GBP
For a participating share outstanding throughout the financial year ended 31 December 2020	
Net investment income*	–
Net realised and unrealised loss	(1.02)
Distributions	–
Less Redemptions	–
Net decrease in net asset value	(1.02)
Net asset value at beginning of financial year	13.21
Net asset value at end of financial year	12.19
Ratios	**%**
Total return:	
Total return before performance fee	(7.46)%
Performance fee	(0.25)%
Total return after performance fee	(7.71)%
Ratios to average net assets:	
Expenses to average net assets	(0.87)%
Performance fee	(0.25)%
Total expenses	(1.12)%
Net investment (loss)/income to average net assets:	
Net investment (loss)/income before performance fee	0.99%
Performance fee	(0.25)%
Total net investment (loss)/income	0.74%

* Average net assets held during the financial year were used for this calculation.

The following summarises the Company's financial highlights for the financial year ended 31 December 2019.

For the financial year ended 31 December 2019

	Asian Opportunities Fund 31 December 2019 Class I USD Distribution US$	Asian Stars Fund 31 December 2019 Class I USD Accumulation US$	Automation & Artificial Intelligence Fund 31 December 2019 Class I USD Accumulation US$	Biotechnology Fund 31 December 2019 Class I USD Distribution US$
For a participating share outstanding throughout the financial year ended 31 December 2019				
Net investment gain/(loss)*	0.00	(0.00)	–	–
Net realised and unrealised (loss)/gain	2.17	2.66	3.64	6.64
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net (decrease)/increase in net asset value	2.17	2.66	3.64	6.64
Net asset value at beginning of financial year	11.97	10.00	9.19	21.24
Net asset value at end of financial year	14.14	12.66	12.83	27.88
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	18.13%	27.40%	39.82%	31.43%
Performance fee	–	(0.80)%	(0.21)%	(0.17)%
Total return after performance fee	18.13%	26.60%	39.61%	31.26%
Ratios to average net assets:				
Expenses to average net assets	(0.20)%	(1.58)%	(0.42)%	(0.36)%
Performance fee	–	(0.80)%	(0.21)%	(0.17)%
Total expenses	(0.20)%	(2.38)%	(0.63)%	(0.53)%
Net investment income/(loss) to average net assets:				
Net investment income/(loss) before performance fee	0.20%	0.56%	0.04%	(0.28)%
Performance fee	–	(0.80)%	(0.21)%	(0.17)%
Total net investment income/loss	–	(0.24)%	(0.17)%	(0.45)%

* Average net assets held during the financial year were used for this calculation

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

Financial Highlights continued

For the financial year ended 31 December 2019 continued

	China Stars Fund 31 December 2019 Class I USD Accumulation US$	Emerging Markets Income Fund 31 December 2019 Class I USD Accumulation US$	Emerging Market Stars Fund 31 December 2019 Class I USD Accumulation US$	European ex UK Income Fund 31 December 2019 Class I Euro Accumulation EUR€
For a participating share outstanding throughout the financial year ended 31 December 2019				
Net investment income*	–	0.02	0.00	0.04
Net realised and unrealised (loss)/gain	2.70	1.70	2.50	2.09
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net (decrease)/increase in net asset value	2.70	1.72	2.50	2.13
Net asset value at beginning of financial year	8.66	11.57	8.47	10.78
Net asset value at end of financial year	11.36	13.29	10.97	12.91
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	31.18%	14.87%	29.52%	19.75%
Performance fee	–	–	–	–
Total return after performance fee	31.18%	14.87%	29.52%	19.75%
Ratios to average net assets:				
Expenses to average net assets	(0.01)%	(1.02)%	(0.15)%	(1.41)%
Performance fee	–	–	(0.01)%	–
Total expenses	(0.01)%	(1.02)%	(0.16)%	(1.42)%
Net investment income/(loss) to average net assets:				
Net investment (loss) before performance fee	0.04%	1.83%	0.20%	4.25%
Performance fee	–	–	(0.01)%	–
Total net investment income	0.04%	1.83%	0.19%	4.25%

* Average net assets held during the financial year were used for this calculation.

	European Income Fund 31 December 2019 Class I Euro Accumulation EUR€	Financial Opportunities Fund 31 December 2019 Class I USD Accumulation US$	Global Absolute Return Fund 31 December 2019 Class I USD Accumulation US$	Global Convertible Fund 31 December 2019 Class I USD Accumulation US$
For a participating share outstanding throughout the financial year ended 31 December 2019				
Net investment income/(loss)*	–	–	0.03	–
Net realised and unrealised (loss)/ gain	(11.63)	3.05	2.26	1.12
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net (decrease)/increase in net asset value	(11.63)	3.05	2.29	1.12
Net asset value at beginning of financial year	11.63	12.05	100.00	12.49
Net asset value at end of financial year	–	15.10	102.29	13.61
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	–	25.31%	2.66%	8.97%
Performance fee	–	–	(0.37)%	–
Total return after performance fee	–	25.31%	2.29%	8.97%
Ratios to average net assets:				
Expenses to average net assets	(0.25)%	–	(1.41)%	(0.11)%
Performance fee	–	–	(0.37)%	–
Total expenses	(0.25)%	–	(1.78)%	(0.11)%
Net investment income/(loss) to average net assets:				
Net investment (loss)/income before performance fee	(0.27)%	–	3.73%	0.21%
Performance fee	–	–	(0.37)%	–
Total net investment income	(0.27)%	–	3.37%	0.21%

* Average net assets held during the financial year were used for this calculation.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

Financial Highlights continued

For the financial year ended 31 December 2019 continued

	Global Insurance Fund 31 December 2019 Class I Sterling Accumulation GBP£	Global Technology Fund 31 December 2019 Class I USD Distribution US$	Healthcare Blue Chip Fund 31 December 2019 Class I USD Accumulation US$	Healthcare Opportunities Fund 31 December 2019 Class I USD Distribution US$
For a participating share outstanding throughout the financial year ended 31 December 2019				
Net investment income/(loss)*	–	–	–	–
Net realised and unrealised gain/(loss)	1.42	15.32	2.80	8.66
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net increase/(decrease) in net asset value	1.42	15.32	2.80	8.66
Net asset value at beginning of financial year	6.11	39.74	12.07	45.73
Net asset value at end of financial year	7.53	55.06	14.87	54.39
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	23.27%	38.55%	23.21%	18.94%
Performance fee	–	–	–	–
Total return after performance fee	23.27%	38.55%	23.21%	18.94%
Ratios to average net assets:				
Expenses to average net assets	(0.58)%	(0.46)%	(0.17)%	(0.17)%
Performance fee	–	–	–	–
Total expenses	(0.58)%	(0.46)%	(0.16)%	(0.17)%
Net investment (loss)/income to average net assets:				
Net investment (loss)/income before performance fee	0.46%	(0.21)%	0.02%	(0.02)%
Performance fee	–	–	–	–
Total net investment (loss)/income	0.46%	(0.20)%	0.03%	(0.02)%

* Average net assets held during the financial year were used for this calculation.

	Income Opportunities 31 December 2019 Class B2 Sterling Accumulation GBP£	Japan Fund 31 December 2019 Class I JPY Distribution JPY¥	Japan Value Fund 31 December 2019 Class S JPY Distribution JPY¥	North American Fund 31 December 2019 Class I USD Distribution US$
For a participating share outstanding throughout the financial year ended 31 December 2019				
Net investment income*	0.02	–	0.01	–
Net realised and unrealised loss	0.27	(2,091.63)	49.82	5.96
Distributions	–	–	–	–
Less Redemptions	–	–	–	–
Net decrease in net asset value	0.29	(2,091.63)	49.83	5.96
Net asset value at beginning of financial year	2.12	2,091.63	222.49	21.30
Net asset value at end of financial year	2.41	–	272.32	27.26
Ratios	**%**	**%**	**%**	**%**
Total return:				
Total return before performance fee	13.63%	–	22.40%	27.98%
Performance fee	–	–	–	–
Total return after performance fee	13.63%	–	22.40%	27.98%
Ratios to average net assets:				
Expenses to average net assets	(1.17)%	(0.52)%	(1.52)%	(0.56)%
Performance fee	–	–	–	–
Total expenses	(1.17)%	(0.52)%	(1.52)%	(0.56)%
Net investment (loss)/income to average net assets:				
Net investment (loss)/income before performance fee	1.90%	–	0.52%	0.01%
Performance fee	–	–	–	–
Total net investment (loss)/income	1.90%	–	0.52%	0.01%

* Average net assets held during the financial year were used for this calculation.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

Financial Highlights continued

For the financial year ended 31 December 2019 continued

	UK Absolute Equity Fund 31 December 2019 Class I Sterling Distribution GBP£	UK Value Opportunities Fund 31 December 2019 Class I Sterling Accumulation GBP£
For a participating share outstanding throughout the financial year ended 31 December 2019		
Net investment income*	–	–
Net realised and unrealised loss	1.53	2.81
Distributions	–	–
Less Redemptions	–	–
Net decrease in net asset value	1.53	2.81
Net asset value at beginning of financial year	20.56	10.40
Net asset value at end of financial year	22.09	13.21
Ratios	**%**	**%**
Total return:		
Total return before performance fee	8.47%	27.05%
Performance fee	(1.03)%	(0.03)%
Total return after performance fee	7.44%	27.02%
Ratios to average net assets:		
Expenses to average net assets	(2.25)%	(0.93)%
Performance fee	(1.03)%	–
Total expenses	(3.28)%	(0.93)%
Net investment (loss)/income to average net assets:		
Net investment (loss)/income before performance fee	(2.00)%	3.11%
Performance fee	(1.03)%	(0.03)%
Total net investment (loss)/income	(3.03)%	3.08%

* Average net assets held during the financial year were used for this calculation.

Financial Highlights are based on financial statements NAV per share.

The above shares classes represent the overall performance of each Fund. Other share classes may have a different performance depending on the specific characteristics of the share class.

ASC 740-10 'Accounting for Uncertainty in Income Taxes – an interpretation of ASC 740' clarifies the accounting for uncertainty in income taxes recognised in the Fund's financial statements in conformity with ASC 740 'Accounting for Income Taxes'.

ASC 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return.

In conformity with ASC 740-10, the Directors have analysed the Funds' tax positions to be taken for the financial year ended 31 December 2020 and have concluded that no provision for income tax is required in the financial statements.

For the financial year ended 31 December 2020 and 31 December 2019, the average volume of the Company's derivative activities based on their notional amounts and number of contracts, categorised by primary underlying risk, are as follows:

Asian Opportunities Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions US$	Short Positions US$	Long Positions US$	Short Positions US$
Foreign Currency Exchange Rates				
Forward foreign currency contracts	135,475	(135,475)	337,911	(337,911)

European ex UK Income Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions EUR€	Short Positions EUR€	Long Positions EUR€	Short Positions EUR€
Foreign Currency Exchange Rates				
Forward foreign currency contracts	10,428,653	(10,428,653)	12,876,065	(12,876,065)

Global Absolute Return Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions US$	Short Positions US$	Long Positions US$	Short Positions US$
Equity Price Risk				
Contracts for difference	665,410	(957,108)	580,759	(598,787)
Futures contracts	–	(5,241,283)	–	(1,340,688)
Warrants	21,708	–	88,030	–
Foreign Currency Exchange Rates				
Forward foreign currency contracts	1,763,165	(1,763,165)	2,770,909	(2,770,909)

* Amounts represent average notional balances of derivative instruments.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

Global Convertible Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions US$	Short Positions US$	Long Positions US$	Short Positions US$
Equity Price Risk				
Contracts for difference	3,494,868	(8,682,724)	4,239,410	(7,373,729)
Futures contracts	87,104,208	(28,878,396)	44,458,814	(45,200,599)
Warrants	840,000	–	2,630,645	–
Foreign Currency Exchange Rates				
Forward foreign currency contracts	1,341,093	(1,341,093)	1,329,463	(1,329,463)

Global Insurance Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions GBP£	Short Positions GBP£	Long Positions GBP£	Short Positions GBP£
Foreign Currency Exchange Rates				
Forward foreign currency contracts	901,714	(901,714)	926,094	(926,094)

Global Technology Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions US$	Short Positions US$	Long Positions US$	Short Positions US$
Equity Price Risk				
Options	6,477,262	(5,440)	4,045,118	–
Foreign Currency Exchange Rates				
Forward foreign currency contracts	3,051,717	(3,051,717)	3,770,299	(3,770,299)

* Amounts represent average notional balances of derivative instruments.

Healthcare Blue Chip Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions US$	Short Positions US$	Long Positions US$	Short Positions US$
Foreign Currency Exchange Rates				
Forward foreign currency contracts	68,696	(68,696)	64,310	(64,310)

Income Opportunities Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions GBP£	Short Positions GBP£	Long Positions GBP£	Short Positions GBP£
Equity Price Risk				
Futures contracts	4,612,481	(2,588,779)	18,050,202	(5,559,281)
Options	103,949	(77,136)	162,523	(220,445)
Foreign Currency Exchange Rates				
Forward foreign currency contracts	1,882,401	(1,882,401)	3,544,852	(3,544,852)

Japan Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions JPY¥	Short Positions JPY¥	Long Positions JPY¥	Short Positions JPY¥
Foreign Currency Exchange Rates				
Forward foreign currency contracts	–	–	648,330,239	(648,330,239)

Japan Value Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions JPY¥	Short Positions JPY¥	Long Positions JPY¥	Short Positions JPY¥
Foreign Currency Exchange Rates				
Forward foreign currency contracts	142,212,131	(142,212,131)	331,393,134	(331,393,134)

* Amounts represent average notional balances of derivative instruments.

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

North American Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions US$	Short Positions US$	Long Positions US$	Short Positions US$
Foreign Currency Exchange Rates				
Forward foreign currency contracts	2,366,284	(2,366,284)	6,571,337	(6,571,337)

UK Absolute Equity Fund

Average Balances of Derivative Instruments*

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions GBP£	Short Positions GBP£	Long Positions GBP£	Short Positions GBP£
Equity Price Risk				
Contracts for difference	15,533,408	(11,375,110)	19,119,226	(11,430,962)
Futures contracts	–	(89,684,286)	–	(78,475,383)
Options	–	–	2,617,403	–
Foreign Currency Exchange Rates				
Forward foreign currency contracts	5,999,076	(5,999,076)	6,893,700	(6,893,700)

UK Value Opportunities Fund

Average Balances of Derivative Instruments

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Long Positions GBP£	Short Positions GBP£	Long Positions GBP£	Short Positions GBP£
Foreign Currency Exchange Rates				
Forward foreign currency contracts	1,212	(1,212)	31,600	(31,600)

* Amounts represent average notional balances of derivative instruments.

The following tables identifies the net gain and loss amounts included in the Statement of Comprehensive Income from derivative contracts, categorised by primary underlying risk, for the financial year ended 31 December 2020 and 31 December 2019.

Asian Opportunities Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$
Foreign Currency Exchange Rates				
Forward foreign currency contracts	(45,920)	(2,048)	(64,533)	(3,696)

European ex UK Income Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) EUR€	Unrealised appreciation/ (depreciation) EUR€	Realised gain/(loss) EUR€	Unrealised appreciation/ (depreciation) EUR€
Foreign Currency Exchange Rates				
Forward foreign currency contracts	(5,580,665)	(249,740)	9,121,633	707,574

Healthcare Blue Chip Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$
Foreign Currency Exchange Rates				
Forward foreign currency contracts	(164,972)	(5,055)	9,733	(16,790)

Global Absolute Return Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$
Equity Price Risk				
Contracts for difference	–	(2,175,520)	(1,878,556)	–
Futures contracts	(5,169,691)	(40,950)	(480,125)	–
Foreign Currency Exchange Rates				
Forward foreign currency contracts	505,304	347,754	(234,781)	519,676

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

Global Convertible Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$
Equity Price Risk				
Contracts for difference	(1,926,228)	(13,151,096)	(16,967,452)	(8,311,564)
Futures contracts	3,041,300	(186,216)	(1,997,226)	757,625
Foreign Currency Exchange Rates				
Forward foreign currency contracts	6,282,015	2,109,750	5,954,500	1,002,839

Global Insurance Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) GBP£	Unrealised appreciation/ (depreciation) GBP£	Realised gain/(loss) GBP£	Unrealised appreciation/ (depreciation) GBP£
Foreign Currency Exchange Rates				
Forward foreign currency contracts	1,444,584	(151,874)	(1,137,127)	(142,438)

Global Technology Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$	Realised gain/(loss) US$	Unrealised appreciation/ (depreciation) US$
Equity Price Risk				
Options	127,158,145	(56,866,113)	(1,596,417)	1,215,473
Foreign Currency Exchange Rates				
Forward foreign currency contracts	49,898,532	2,914,764	(9,212,811)	2,210,301

Income Opportunities Fund

Primary Underlying Risk	For the financial year ended 31 December 2020 Realised gain/(loss) GBP£	For the financial year ended 31 December 2020 Unrealised appreciation/ (depreciation) GBP£	For the financial year ended 31 December 2019 Realised gain/(loss) GBP£	For the financial year ended 31 December 2019 Unrealised appreciation/ (depreciation) GBP£
Equity Price Risk				
Futures contracts	(695,100)	(110,590)	(1,186,179)	(331,508)
Options	(130,435)	–	319,766	–
Foreign Currency Exchange Rates				
Forward foreign currency contracts	363,969	(20,971)	(1,108,741)	(174,787)

Japan Fund

Primary Underlying Risk	For the financial year ended 31 December 2020 Realised gain/(loss) JPY¥	For the financial year ended 31 December 2020 Unrealised appreciation/ (depreciation) JPY¥	For the financial year ended 31 December 2019 Realised gain/(loss) JPY¥	For the financial year ended 31 December 2019 Unrealised appreciation/ (depreciation) JPY¥
Foreign Currency Exchange Rates				
Forward foreign currency contracts	–	–	(2,562,660,423)	895,538,083

Japan Value Fund

Primary Underlying Risk	For the financial year ended 31 December 2020 Realised gain/(loss) JPY¥	For the financial year ended 31 December 2020 Unrealised appreciation/ (depreciation) JPY¥	For the financial year ended 31 December 2019 Realised gain/(loss) JPY¥	For the financial year ended 31 December 2019 Unrealised appreciation/ (depreciation) JPY¥
Foreign Currency Exchange Rates				
Forward foreign currency contracts	(514,031,722)	(20,656,494)	683,613,608	85,069,191

North American Fund

Primary Underlying Risk	For the financial year ended 31 December 2020 Realised gain/(loss) US$	For the financial year ended 31 December 2020 Unrealised appreciation/ (depreciation) US$	For the financial year ended 31 December 2019 Realised gain/(loss) US$	For the financial year ended 31 December 2019 Unrealised appreciation/ (depreciation) US$
Foreign Currency Exchange Rates				
Forward foreign currency contracts	(1,216,484)	(1,780,843)	(10,386,049)	1,432,392

Notes to the Financial Statements continued

For the financial year ended 31 December 2020

16. Reconciliation to US GAAP continued

UK Absolute Equity Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) GBP£	Unrealised appreciation/ (depreciation) GBP£	Realised gain/(loss) GBP£	Unrealised appreciation/ (depreciation) GBP£
Equity Price Risk				
Contracts for difference	(31,394,358)	–	(30,427,663)	(2,343,671)
Futures contracts	8,704,347	48,775	(40,716,878)	(48,775)
Options	–	–	(2,081,535)	1,702,071
Foreign Currency Exchange Rates				
Forward foreign currency contracts	2,394,377	1,603,613	(16,396,599)	–

UK Value Opportunities Fund

	For the financial year ended 31 December 2020		For the financial year ended 31 December 2019	
Primary Underlying Risk	Realised gain/(loss) GBP£	Unrealised appreciation/ (depreciation) GBP£	Realised gain/(loss) GBP£	Unrealised appreciation/ (depreciation) GBP£
Foreign Currency Exchange Rates				
Forward foreign currency contracts	(936)	1,385	(15,871)	744

For detailed information on the fair value of derivatives by contract type as included in the Statement of Financial Position as of 31 December 2020 please refer to the Portfolio Statements.

17. Significant Events during the Financial year

On 1 January 2020, the Company issued a new Prospectus Supplement for Emerging Markets Income Fund, European ex UK Income Fund and North American Fund. The main changes related to reductions in the Investment Management Fees and Performance Fees for the Funds.

On 1 January 2020, Emerging Market Stars Fund launched the following share class: Class SX Sterling Accumulation.

On 2 January 2020, Emerging Markets Income Fund, European ex UK Income Fund, Financial Opportunities Fund, Global Convertible Fund, Global Insurance Fund, Healthcare Blue Chip Fund, Income Opportunities Fund and UK Value Opportunities Fund each declared a dividend as disclosed in Note 13.

On 31 January 2020, Healthcare Discovery Fund launched with the following share classes: Class I Sterling Accumulation, Class S Sterling Accumulation, Class I US Dollar Accumulation and Class S US Dollar Accumulation.

On 31 March 2020, Healthcare Opportunities Fund launched the following share classes: Class I US Dollar Accumulation, Class I Euro Hedged Accumulation, Class R US Dollar Accumulation, Class R Euro Accumulation.

On 17 April 2020, a new supplement was issued for Emerging Market Stars Fund.

On 15 May 2020, UK Absolute Equity Fund terminated.

On 7 April 2020, Emerging Market Stars Fund launched the following share classes: Class SX US Dollar Accumulation, Class SX Euro Accumulation, Class I Euro Accumulation.

On 31 April 2020, Emerging Market Stars Fund launched the following share class: Class S US Dollar Distribution.

Ronan Daly resigned as a Director of the Company on 16 June 2020.

Barbara Healy was appointed as Director of the Company on 11 June 2020.

On 21 July 2020, Financial Opportunities Fund launched the following share classes: Class S US Dollar Distribution, Class S Sterling Distribution.

Since the start of the COVID-19 pandemic in January 2020, there have been approximately 145 million cases recorded worldwide, as of March 2021. There is still a great amount of uncertainty surrounding the virus, with record number of cases being recorded in numerous regions. Currencies of countries in which the vaccination programmes are surging ahead are outperforming those which are struggling to gain control of outbreaks. The emergence of COVID-19 variants in South America, United Kingdom and Africa had far reaching consequences, with announcements of further lockdowns and travel restrictions. While the fiscal ramifications of the pandemic are still ongoing, there have been many advances made to curb and control outbreaks, this has meant that many jurisdictions are able to proceed with their 'phased returns' to ease lockdowns. The global economic outlook is much more optimistic than this time last year.

18. Subsequent Events

On 12 February 2021, the Company issued a new Prospectus Supplement for Emerging Market Stars Fund. The main changes were in relation to the launch of new share classes, Class S Euro Distribution Shares and Class SX US Dollar Distribution Shares.

Barbara Healy resigned as Director of the Company on 16 February 2021.

Karen Nolan was appointed as Director of the Company on 16 February 2021.

On 1 March 2021, Asian Opportunities Fund terminated.

The Prospectus and Supplements for each Fund were updated on 9 March 2021 to include the disclosures relating to environmental, social and governance (ESG) matters required by the implementation of EU Regulation 2019/2088 on sustainability-related disclosures in the financial services sector.

Following the decision of the portfolio manager of the Emerging Markets Income Fund to retire from the Investment Manager, the Directors have by letter dated 29 April 2021 made a proposal to the Shareholders in the Fund that it be merged with the Emerging Market Stars Fund. The merger proposal is due to be considered at a general meeting of the Shareholders in the Fund to be held on 21 May 2021. Should the proposal be accepted, it is intended that the merger will take place on or shortly after 8 June 2021.

There have been no other events subsequent to the financial year end, which, in the opinion of the Directors of the Company, may have had an impact on the Financial Statements for the financial year ended 31 December 2020.

19. Approval of the Financial Statements

The Financial Statements were authorised by the Board of Directors on 13 April 2021.

Statement of Significant Portfolio Movements (unaudited)

For the financial year ended 31 December 2020

Asian Opportunities Fund

Purchases	Cost US$'000
Security Bank	540
China Merchants Bank	418
MCB Bank	398
Ascendas India Trust	364
CTBC Financial	355
Hong Kong Exchanges & Clearing	351
Bank Alfalah	321
Largan Precision	293
China Construction Bank	276
Singapore Exchange	273
BOC Hong Kong	259
LIC Housing Finance	255
Chailease	254
Housing Development Finance	229
KIWOOM Securities	218
Kakao	217
Axis Bank	212
HDFC Bank ADR	212
Srisawad PCL	199
Ping An Insurance Group of China	196
Macquarie	192
Bandhan Bank	191
Bank for Foreign Trade of Vietnam	190
Tisco Financial	176
Siam Commercial Bank PCL	169
HDFC Life Insurance	166
Mapletree Logistics Trust REIT	165
Manappuram Finance	162
Kotak Mahindra Bank	150
Vinhomes	150
Bajaj Finance	138
CK Asset	131
Kasikornbank	115
United Tractors	109

Sales	Proceeds US$'000
Alibaba	2,055
Tencent	1,984
Taiwan Semiconductor Manufacturing	1,493
HDFC Bank ADR	1,138
AIA	916
NAVER	864
Samsung Electronics	862
Hong Kong Exchanges & Clearing	836
Bank Central Asia	823
E.Sun Financial Class C	676
CK Asset	653
Bajaj Finance	629
Ping An Insurance Group of China	615
China Construction Bank	598
Housing Development Finance	544
Manappuram Finance	541
Chailease	541
Keppel DC REIT	495
BOC Hong Kong	491
Ayala Land	474
Axis Bank	469
IHH Healthcare	451
Bank Rakyat Indonesia Persero	438
Apollo Hospitals Enterprise	437
Kakao	432
Bank of the Philippine Islands	412
Link REIT	343
Longfor	335
Kotak Mahindra Bank	320
Srisawad PCL	316
CTBC Financial	312
Sinopharm	302
DBS	301
China Education	295
IndusInd Bank	294
Ascendas India Trust	288

The Statement of Significant Portfolio Movements reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals of a security greater than 1% of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

Asian Stars Fund

Purchases	Cost US$'000
Alibaba ADR	632
Samsung Electronics	620
Taiwan Semiconductor Manufacturing	499
Tencent	497
JD.Com Inc	436
ITM Semiconductor	333
LandMark Optoelectronics	299
ICICI Bank	270
Ping An Insurance	262
NetEase ADR	253
iQIYI ADR	227
Phoenix Mills	218
NAVER	216
Win Semiconductors	211
Reliance Industries	206
Prestige Estates Projects	206
Daejoo Electronic Materials	198
Alibaba Health Information Technology	197
Meituan Dianping Class B	194
ICICI Prudential Life Insurance	173
Longfor	171
Seoul Viosys	167
Binjiang Service	165
Ecopro BM	164
Agora Inc	164
AIA	157
SK Hynix	156
Glodon	141
MediaTek	139
Housing Development Finance	126
KMW	125
Samsung SDI	119
Vinhomes	118
Yoma Strategic	113
Chroma ATE	109
Sunny Optical Technology	101
Koh Young Technology	95

Sales	Proceeds US$'000
Ping An Healthcare and Technology	228
Samsung SDI	228
Bank BTPN Syariah	139
MediaTek	138
Advanced Ceramic X	135
Larsen & Toubro Infotech	132
Microport Scientific	124
Sunny Optical Technology	116
21Vianet ADR	115
Alibaba ADR	99
CSL	97
Sea ADR	95
DBS	91
Oberoi Realty	87
Sporton International	85
iQIYI ADR	82
Bilibili ADR	82
LandMark Optoelectronics	78
Kinh Bac City Development Share	74
Alchip Technologies	73
Ecopro BM	70
KMW	70
Apollo Hospitals Enterprise	68
BDO Unibank	68
Hanon Systems	65
Silergy	65
China Foods	63
Larsen & Toubro	63
NetEase ADR	60
Taiwan Semiconductor Manufacturing	58
China Resources Pharmaceutical	51
Reliance Industries	49
SM Investments	45
Meituan Dianping Class B	45

The Statement of Significant Portfolio Movements reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals of a security greater than 1% of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Automation & Artificial Intelligence Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
UnitedHealth Group Inc	14,380	S&P Global	10,656
Netflix Inc	13,545	Medtronic	10,633
Amazon.com	11,716	Applied Materials	8,412
Qualcomm	11,148	Meituan Dianping	8,094
DexCom Inc	10,743	Alibaba ADR	8,044
Facebook	10,151	Thermo Fisher Scientific	7,780
Givaudan	10,091	PayPal	7,570
Emerson Electric	9,788	Qualcomm	7,488
FANUC	9,245	Magazine Luiza SA	6,652
Covestro Class A	9,117	Spotify Technology	6,465
Shimano Inc	8,714	Advanced Micro Devices	6,437
Analog Devices	8,084	Taiyo Yuden	6,287
MarketAxess Holdings Inc	7,925	Nel	6,242
Snap Inc	7,867	Aspen Technology	6,207
Xilinx	7,616	Facebook	6,176
Advanced Micro Devices	7,548	Intuitive Surgical	6,115
Infineon Technologies	6,878	Ocado	5,726
Spotify Technology	6,746	Synopsys	5,714
Microsoft	6,618	Uber Technologies	5,687
MediaTek	6,283	Auto Trader Group Plc	5,504
Littelfuse	6,037	AVEVA	5,466
Cognex	5,898	Assa Abloy	5,466
BYD Company Ltd	5,811	Roper Technologies	5,373
Baidu	5,746	Coherent	5,347
Masimo Corporation	5,733	Illumina	5,247
Alphabet	5,591	Xilinx	5,183
StoneCo Ltd	5,517	Yaskawa Electric	5,173
IPG Photonics Corporation	5,419	Baidu	5,024
TDK	5,360	RELX	4,904
Rockwell Automation	5,225	Analog Devices	4,776
Avalara	5,184	Hirose Electric	4,737
Auto Trader Group Plc	5,064	Alphabet	4,576
Kulicke & Soffa Industries Inc	5,031	Cree Inc	4,538
Corbion	5,007	Shimadzu	4,529
Advantest Corp	4,986	Honeywell International	4,467
STMicroelectronics	4,853	Microsoft	4,440

Purchases	Cost US$'000	Sales	Proceeds US$'000
Dolby Laboratories	4,795	Amazon.com	4,064
NVIDIA	4,755	Epiroc	4,063
Taiwan Semiconductor Manufacturing	4,731	Dassault Systemes	4,027
Uber Technologies	4,644	Siltronic AG	3,882
Hoya	4,615	Snap Inc	3,878
ASML	4,426	Zoom Video Communications Inc	3,829
		Dentsply Sirona Inc	3,758
		Atlas Copco	3,636
		Nitto Boseki	3,590
		MediaTek	3,550
		Ansys	3,542

The Statement of Significant Portfolio Movements reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals of a security greater than 1% of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Biotechnology Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
Biogen	63,452	Pacific Biosciences of California	73,032
Regeneron Pharmaceuticals	56,133	NanoString Technologies	68,095
Vertex Pharmaceuticals	52,357	Immunomedics	45,626
Acceleron Pharma	47,321	Amgen	44,387
ArGEN-X	47,222	MyoKardia	44,265
Exelixis	45,440	Gilead Sciences	42,762
Alexion Pharmaceuticals	42,974	Regeneron Pharmaceuticals	31,463
Gilead Sciences	42,635	ArGEN-X	25,034
BioMarin Pharmaceutical	41,425	Dermira	23,400
Incyte	38,140	Biogen	22,858
Horizon Therapeutics	34,932	BioMarin Pharmaceutical	19,463
Valneva	33,143	Biohaven Pharmaceutical	19,298
Global Blood Therapeutics	31,348	Alexion Pharmaceuticals	19,071
Constellation Pharmaceuticals	31,345	Novo Nordisk	18,945
Y-mAbs Therapeutics	31,113	Y-mAbs Therapeutics	17,792
Cytokinetics	30,672	ACADIA Pharmaceuticals	16,362
Synairgen	29,281	PTC Therapeutics	16,178
NanoString Technologies	27,616	Seattle Genetics	15,899
Evotec	25,819	Immunovant	14,623
Amgen	24,618	Stemline Therapeutics	14,623
PTC Therapeutics	23,688	ArGEN-X ADR	14,313
Arcutis Biotherapeutics	20,736	Mirati Therapeutics	14,059
Insmed	18,675	Principia Biopharma	13,979
Pacific Biosciences of California	18,175	Alnylam Pharmaceuticals	13,429
Deciphera Pharmaceuticals	17,854	Genmab	12,941
Biohaven Pharmaceutical	16,834	Momenta Pharmaceuticals	12,618
MyoKardia	16,458	Cytokinetics	11,781
Immunomedics	16,332	uniQure	11,673
Calliditas Therapeutics	14,592	Vertex Pharmaceuticals	10,637
Immunovant	14,295	Deciphera Pharmaceuticals	10,480
Kura Oncology	14,201	Evotec	9,917
Celldex Therapeutics	14,153		
Alnylam Pharmaceuticals	13,745		

The Statement of Significant Portfolio Movements reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals of a security greater than 1% of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

China Stars Fund

Purchases	Cost US$'000
JD.com Inc	386
Alibaba ADR	377
NetEase ADR	343
Ping An Insurance Groupof China Class H	331
Binjiang Service Group Co Ltd	312
China Resources Sanjiu Medical & Pharmaceutical	301
iQIYI ADR	288
Phoenix New Media ADR	251
Tencent	237
Prosus	234
51job ADR	207
Meituan Dianping Class B	202
China Construction Bank	194
Agora Inc	184
Jiangsu Hengrui Medicine	180
Dadi Early-Childhood Education	176
Longfor	155
Taiwan Semiconductor Manufacturing	154
Renrui Human Resources Technology Holdings Ltd	151
China Merchants Bank	150
Ping An Insurance Groupof China Class A	126
Hainan Meilan International Airport Co Ltd	125
ManpowerGreater China	123
Mango Excellent Media Co Ltd	115
TravelSky Technology	113
Focus Media Information Technology	107
S.F. Holding Co Ltd	103
C&D International Investment Group Ltd	102
Hefei Meiya Optoelectronic Technology	101
Airtac International	93
21Vianet ADR	90
Bilibili ADR	86
China Building Material Test & Certification	83
Zhou Hei Ya International Holdings Co Ltd	78
MediaTek Inc	77

Sales	Proceeds US$'000
Phoenix New Media ADR	461
21Vianet ADR	364
China Construction Bank	307
Microport Scientific	291
Alibaba ADR	280
NetEase ADR	253
Focus Media Information Technology	205
iQIYI ADR	198
Prosus	177
Shenzhen Inovance Technology	145
China Vanke	138
China Meidong Auto	125
Goodbaby International	124
Airtac International	118
TravelSky Technology	118
China Resources Sanjiu Medical & Pharmaceutical	112
Sporton International	112
Binjiang Service Group Co Ltd	100
Tencent	98
China Resources Pharmaceutical	95
BYD	89
Bilibili ADR	89
MediaTek Inc	88
China Building Material Test & Certification	88
Trip.com ADR	82
China Resources Beer	81
Shanghai International Airport	79
Freni Brembo	77
Fuyao Glass Industry Group Co Ltd	70
China Medical System	70
Meituan Dianping Class B	68
Zhengzhou Yutong Bus Co Ltd	66
Silergy Corp	65
Citic Securities Co Ltd	61
Maoyan Entertainment	61
Glodon	56

The Statement of Significant Portfolio Movements reflect the aggregate purchases of a security exceeding 1% of the total value of purchases and aggregate disposals of a security greater than 1% of the total sales for the year. At a minimum the largest 20 purchases and largest 20 sales must be given.

Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Emerging Markets Income Fund

Purchases	Cost US$'000
China Mobile	2,820
China Merchants Bank	2,646
AB Ignitis Grupe	2,240
Samsung Electronics Pref	1,968
Telekomunikasi Indonesia Persero	1,703
Emirates NBD Bank	1,490
Polyus GDR	1269
Tech Mahindra	1212
Petronet LNG	1014
Polycab India	943
Detsky Mir	919
Telefonica Brasil	838
Halyk Savings Bank Of Kazakhstan	800
Corp Inmobiliaria Vesta	694
China Construction Bank	593
Mindspace Business Parks REIT	520
NAC Kazatomprom	502
Topsports International	361
Minth	346
Inter RAO UES	323
KT	295
Guangdong Investment	284
Macquarie Mexico Real Estate Management	266
Moneta Money Bank	261

Sales	Proceeds US$'000
Haier Electronics	3,692
Industrial & Commercial Bank of China	2,882
Gazprom Neft ADR	2,531
Taiwan Semiconductor Manufacturing	2,299
China Construction Bank	2,239
Samsung Electronics	2,142
Chicony Electronics	2,077
Malayan Banking	2,036
Emirates NBD Bank	1,918
VTech	1,895
Guangdong Investment	1,545
Banco do Brasil	1,496
Light	1,410
NTPC	1,397
Dubai Islamic Bank	1,374
LOTTE Reit	1,326
Powszechny Zaklad Ubezpieczen	1,267
Bolsa Mexicana de Valores	1,260
Adani Ports & Special Economic Zone	1,213
Sberbank of Russia	1,193
ICICI Bank	1,182
OMV Petrom	1,135
Coal India	1,110
Inter RAO UES	1,083
Digital Telecommunications Infrastructure	1,022
Malaysia Airports	998
Macquarie Mexico Real Estate Management	966
Corp Inmobiliaria Vesta	940
Foschini Group	925
Sinopharm	735
Halyk Savings Bank Of Kazakhstan	734
Moneta Money Bank	721
Bharat Petroleum	707
Valid Solucoes e Servicos de Seguranca em Meios de Pagamento	656
KT	574
Fondul Proprietatea	567

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Emerging Market Stars Fund

Purchases	Cost US$'000
Alibaba ADR	20,654
Samsung Electronics	18,385
Tencent	16,242
Taiwan Semiconductor Manufacturing	14,847
Ping An Insurance	9,703
JD.com ADR	7,892
ICICI Bank	7,010
LandMark Optoelectronics	6,919
ITM Semiconductor	6,433
Reliance Industries - Restricted	6,418
Prosus	6,387
Phoenix Mills	6,176
NetEase ADR	5,338
Meituan Dianping	5,012
B2W Companhia Digital	4,676
Prestige Estates Projects	4,585
SK Hynix	4,531
Housing Development Finance	4,232
Naver	4,194
iQIYI ADR	3,995
KMW	3,950
MercadoLibre	3,838
Daejoo Electronic Materials	3,834
Win Semiconductors	3,781
Alibaba Health Information Technology	3,773
Ivanhoe Mines	3,702
Afya	3,471
MediaTek	3,380
Longfor Group Holdings	3,352
Arco Platform	3,309
Agora	3,255
Vinhomes	3,212
Samsung SDI	3,078
Ecopro BM	3,007
Yoma Strategic	2,920
Glodon	2,887
Ping An Healthcare and Technology	2,851
AIA	2,780
Chroma ATE	2,769
Koh Young Technology	2,756

Sales	Proceeds US$'000
Ping An Healthcare and Technology	3,981
CD Projekt	2,831
Notre Dame Intermedica Participacoes	2,379
Bank BTPN Syariah	2,042
MediaTek	1,787
KMW	1,783
21Vianet ADR	1,589
Sunny Optical Technology	1,569
Larsen & Toubro Infotech	1,441
Itau Unibanco	1,374
Samsung SDI	1,246
Alchip Technologies	1,014
Ecopro BM	956
Advanced Ceramic X	923
iQIYI ADR	909
Linx	901
Samsung Electronics	837
Bilibili ADR	833
Avast	812
LandMark Optoelectronics	801
Kinh Bac City Development	770
Microport Scientific	752
Sporton International	686
Sea ADR	677
Sberbank of Russia ADR	569
Reliance Industries - Restricted	535
MercadoLibre	500
BR Malls Participacoes	451
China Foods	433
Apollo Hospitals Enterprise	432
China Resources Pharmaceutical	429
JD Health International	400

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Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

European ex UK Income Fund

Purchases	Cost EUR€'000	Sales	Proceeds EUR€'000
Nestle	12,252	Industria de Diseno Textil	13,691
Vinci	10,285	Zurich Insurance	10,590
Novartis	9,886	Siemens	10,369
SCOR	9,201	Deutsche Post	7,902
Industria de Diseno Textil	8,436	Bayer	7,676
Unilever	8,247	Kuehne + Nagel International	7,250
Telenet	7,424	Telenet	7,215
Heineken	6,980	Deutsche Telekom	6,893
Assa Abloy AB	5,669	Brenntag	6,826
Danone SA	5,422	Galp Energia	6,161
Cie Financiere Richemont SA	5,228	Svenska Handelsbanken Class A	5,432
Danone	4,828	Vinci	5,191
TOTAL	4,710	Aena SME	5,141
Cie Financiere Richemont SA	3,961	TOTAL	5,024
Deutsche Post	3,734	BASF	4,951
Orange	3,676	Sampo Class A	4,934
Swiss Re	3,610	Sanofi	4,479
AXA	3,185	Cie Financiere Richemont	4,456
Roche Holding AG	2,701	Nestle	4,377
Sanofi	1,910	Orange	3,805
Koninklijke KPN	1,722	Koninklijke KPN	3,315
Naturgy Energy	1,605	ING Groep	3,177
Deutsche Telekom	1,509	Swiss Re	3,154
		bpost	2,823
		UPM-Kymmene	2,751
		Heineken	2,464
		Unilever	2,419
		Roche	2,244
		AXA	2,149
		Danone	2,111
		Red Electrica	2,047

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Financial Opportunities Fund

Purchases	Cost US$'000
Hong Kong Exchanges & Clearing	277
Wells Fargo	252
BNP Paribas	250
Turkiye Garanti Bankasi	189
Sberbank Of Russia	182
Signature Bank	176
Marsh & McLennan Cos	173
Prosperity Bancshares	164
Berkshire Hathaway	159
US Bancorp	156
American Express	156
Arch Capital	151
China Merchants Bank	148
Axis Bank	135
Allianz	134
Mastercard	132
Alibaba Group Holdings	130
Lloyds Banking Grp.	128
Chailease	128
Kasikornbank Public Company	123
Intesa Sanpaolo SPA	123
MCB Bank Limited	122
Banca Generali	122
London Stock Exchange Group	120
Comerica Inc	118
Bank of America	117
Webster Financial	112
Housing Development Finance	112
UBS	111
FinecoBank SPA	110
Joint Stock Commercial Bank for Foreign Trade of Vietnam	108
Bajaj Finance	107
Swedbank	104
CTBC Financial Holding	102
Lancashire	101
Visa	98

Sales	Proceeds US$'000
JPMorgan Chase	639
AIA	588
Bank of America	517
PayPal	364
PNC Financial Services Group	344
Arch Capital	343
Chubb	342
Citizens Financial	340
Wells Fargo	335
Mastercard	327
Visa	303
Lloyds Banking Grp.	296
Adyen	281
HDFC Bank ADR	271
DNB	270
Toronto-Dominion Bank	261
Standard Chartered	245
East West Bancorp	242
SVB Financial	236
First Republic Bank	233
BNP Paribas	227
Marsh & McLennan Cos	222
Citigroup	207
Manappuram Finance	206
Housing Development Finance	203
Enterprise Financial Services	200
Prudential	197
Indusind Bank	197
Texas Capital Bancshares	195
Ing Groep	194
Chailease	184
Bank Central Asia	177
Oversea-Chinese Banking	166
Hong Kong Exchanges & Clearing	163
OneSavings Bank	155
Intact Financial	149

Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Financial Opportunities Fund continued

Purchases	Cost US$'000	Sales	Proceeds US$'000
AIA	98	KBC	148
JPMorgan Chase	97	Allianz	145
Legal & General Group	96	Blackstone	143
E.Sun Financial	95	Ping An Insurance	141
PayPal	94	Bank of the Philippine Islands	134
S&P Global	93	Esquire Financial	133
Manappuram Finance	91		
Hiscox	91		
Bank Rakyat Indonesia Persero	90		
Prudential	90		
KBC	89		
Progressive Corp	89		
Chubb	87		
Citizens Financial	87		

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Global Absolute Return Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
NTGF US Dollar Fund	11,300	NTGF US Dollar Fund	15,200
Dufry One 1.000% 04/05/2023	10,004	Dufry One 1.000% 04/05/2023	9,196
Amadeus IT Group 1.500% 09/04/2025	7,316	Plug Power 3.750% 01/06/2025	8,043
Cellnex Telecom 0.500% 05/07/2028	6,507	Amadeus IT Group 1.500% 09/04/2025	7,958
PagerDuty 1.25% 07/01/2025	6,464	Cellnex Telecom 0.500% 05/07/2028	6,955
Sika 0.150% 05/06/2025	6,020	Change Healthcare	6,545
Ocado Grp. 0.75% 18/01/2027	5,926	Sika 0.150% 05/06/2025	6,435
Yandex 0.75% 03/03/2025	5,200	Ocado Grp. 0.75% 18/01/2027	6,060
Delivery Hero 0.25% 23-01-24	5,134	BP Capital Markets 45044.000%	6,026
Qiagen Nv 0.00% 17/12/2027	5,054	Carnival 5.75% 1/4/2023	5,221
Lg Chem Ltd 0.00% 16/04/2021	4,316	Delivery Hero 0.25% 23-01-24	5,192
Deutsche Lufthansa 2% 17/11/2025	4,137	Qiagen Nv 0.00% 17/12/2027	5,123
Collegium Pharm. 2.625% 15/02/2026	4,032	Yandex 0.75% 03/03/2025	5,059
Zhongsheng Grp. Hl 0.00% 23/05/2023	4,016	Farfetch 3.750% 01/05/2027	4,795
American Airlines Group 6.500% 01/07/2025	4,000	Lg Chem Ltd 0.00% 16/04/2021	4,479
Viva Biotech Investment Management 1% 30/12/2025	4,000	PagerDuty 1.25% 07/01/2025	4,465
Electricite De Fra 0.00% 14/09/2024	3,943	Elm B.V. 45456.000%	4,445
Umicore 0.000% 23/06/2025	3,731	Ncl 6.00% 15/5/2024	4,359
Nortonlifelock 2.00% 15/8/2022	3,589	Top Glove Labuan 2.00% 01/03/2024	4,265
Zalando Se 0.05% 6/8/2025	3,588	Collegium Pharm. 2.625% 15/02/2026	4,229

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Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Global Convertible Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
ELMfor Swiss Re 3.250% 13/06/2024	86,031	ELMfor Swiss Re 3.250% 13/06/2024	85,028
Electricite de France 0.000% 14/09/2024	75,816	Northern Trust Global Funds – US Dollar	75,000
Northern Trust Global Funds – US Dollar	75,000	Electricite de France 0.000% 14/09/2024	73,997
Southwest Airlines 1.250% 01/05/2025	53,684	Cellnex Telecom 0.500% 05/07/2028	68,362
Sika 0.150% 05/06/2025	48,111	Southwest Airlines 1.250% 01/05/2025	57,463
2020 Cash Mandatory Exchangeable Trust	47,263	Microchip Technology 1.625% 15/02/2027	53,704
Delivery Hero 0.250% 23/01/2024	46,771	AXA 7.250% 15/05/2021	47,378
ArcelorMittal 5.500% 18/05/2023	45,936	Harvest International 0.000% 21/11/2022	47,365
RingCentral 0.000% 01/03/2025	43,423	STMicroelectronics 0.000% 03/07/2022	46,071
BioMarin Pharmaceutical 1.250% 15/05/2027	43,235	BioMarin Pharmaceutical 1.500% 15/10/2020	44,088
Cellnex Telecom 0.500% 05/07/2028	42,935	Delivery Hero 0.250% 23/01/2024	39,750
STMicroelectronics 0.000% 04/08/2025	41,946	JPMorgan Chase Bank NA 0.000% 24/05/2022	38,468
Harvest International 0.000% 21/11/2022	41,089	Mongodb 0.250% 15/01/2026	37,975
Palo Alto Networks 0.375% 01/06/2025	40,440	Okta Inc 0.125% 01/09/2025	36,781
Mongodb 0.250% 15/01/2026	37,832	Sika 0.150% 05/06/2025	36,339
Amadeus IT 1.500% 09/04/2025	37,584	RingCentral 0.000% 01/03/2025	36,114
LG Chem 0.000% 16/04/2021	37,324	WuXi AppTec 0.000% 17/09/2024	35,145
JPMorgan Chase Bank NA 0.000% 24/05/2022	34,510	BioMarin Pharmaceutical 1.250% 15/05/2027	35,108
2020 Mandatory Exchangeable Trust	34,324	Slack Technologies 0.500% 15/04/2025	34,520
Chegg 0.000% 01/09/2026	34,171	STMicroelectronics 0.000% 04/08/2025	33,762
JPMorgan Chase Bank 0.125% 01/01/2023	33,640		

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Global Insurance Fund

Purchases	Cost GBP £'000	Sales	Proceeds* GBP £'000
Alleghany	28,560	Hastings	29,000
Essent	27,394	Progressive Corp	25,201
Beazley	24,911	Brown & Brown	24,483
Markel	23,365	Marsh & McLennan Cos	22,090
Fairfax Financial	19,631	Berkshire Hathaway	21,393
Chubb	18,252	Ping An Insurance Group of China	18,715
Reinsurance of America	18,063	Intact Financial	11,484
Lancashire	17,491	AlphaCat Opportunities	9,648
Marsh & McLennan Cos	15,695	Heritage Insurance	7,909
RenaissanceRe	13,149	AIA	7,761
Hiscox	12,289	Hiscox	7,712
Arch Capital	11,803	Markel	4,677
Direct Line Insurance	11,051	Kinesis	4,130
Prudential	10,293	Chubb	3,670
Travelers Cos	9,643	Essent	3,006
James River	9,490	Kinesis 2019 NPV	2,596
Kinesis	9,412	RLI	2,505
First American Financial	8,974	RenaissanceRe	2,062
Aon	7,790	Arch Capital	1,821
AlphaCat Opportunities	7,696	Travelers Cos	1,810
Everest Re	7,677		
WR Berkley	7,346		
Helios Underwriting	6,000		
ProAssurance	5,865		
Berkshire Hathaway	4,926		
Intact Financial	4,255		

* Includes all Sales.

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Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Global Technology Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
Apple	314,544	Apple	357,268
Facebook	303,606	Microsoft	275,849
Amazon.com	264,681	Amazon.com	216,974
Netflix	242,090	Advanced Micro Devices	192,573
Advanced Micro Devices	185,398	Facebook	169,047
PayPal	185,066	PayPal	166,070
Adobe Systems	163,175	Netflix	162,629
Microsoft	162,795	Alibaba ADR	157,764
Zoom Video Communications	160,867	Crowdstrike	151,701
Samsung Electronics	159,475	Alphabet Class C	123,860
Applied Materials	153,833	Alphabet Class A	123,345
Analog Devices	149,162	Grubhub	121,445
Uber Technologies	148,940	Uber Technologies	117,535
Alibaba ADR	135,310	Cloudflare	109,873
Crowdstrike	133,586	Peloton Interactive	107,768
Tencent	128,140	Zendesk	106,358
ServiceNow	119,489	Xilinx	99,667
Booking Holdings	110,042	Intel	95,305
Peloton Interactive	109,330	Activision Blizzard	94,870
Just Eat Takeaway.com N.V.	106,640	Adobe Systems	93,509
Alphabet Class A	106,088	Alteryx	93,237
Alphabet Class C	105,958	Pinterest	92,322
STMicroelectronics	103,719	SolarEdge	90,110
Activision Blizzard	100,658	Spotify Technology	90,108
Taiwan Semiconductor Manufacturing	96,552	Teradyne	85,031
Ocado	96,342	Twilio	83,434
Visa	95,647	Lumentum	79,164
Mastercard	93,329	Meituan Dianping	79,107
salesforce.com	89,832	NVIDIA	78,606
FANUC	89,549	RingCentral	78,071
Teradyne	89,331	Visa	77,540
Zendesk	89,004	Akamai Technologies	77,262
Xilinx	88,650	Zoom Video Communications	77,232
Spotify Technology	86,950	Splunk	76,835
Intel	86,723	HubSpot	75,679
Grubhub	86,333	Cadence Design Systems	72,228

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Healthcare Blue Chip Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
Apple	314,544	Apple	357,268
Facebook	303,606	Microsoft	275,849
Amazon.com	264,681	Amazon.com	216,974
Netflix	242,090	Advanced Micro Devices	192,573
Advanced Micro Devices	185,398	Facebook	169,047
PayPal	185,066	PayPal	166,070
Adobe Systems	163,175	Netflix	162,629
Microsoft	162,795	Alibaba ADR	157,764
Zoom Video Communications	160,867	Crowdstrike	151,701
Samsung Electronics	159,475	Alphabet Class C	123,860
Applied Materials	153,833	Alphabet Class A	123,345
Analog Devices	149,162	Grubhub	121,445
Uber Technologies	148,940	Uber Technologies	117,535
Alibaba ADR	135,310	Cloudflare	109,873
Crowdstrike	133,586	Peloton Interactive	107,768
Tencent	128,140	Zendesk	106,358
ServiceNow	119,489	Xilinx	99,667
Booking Holdings	110,042	Intel	95,305
Peloton Interactive	109,330	Activision Blizzard	94,870
Just Eat Takeaway.com N.V.	106,640	Adobe Systems	93,509
Alphabet Class A	106,088	Alteryx	93,237
Alphabet Class C	105,958	Pinterest	92,322
STMicroelectronics	103,719	SolarEdge	90,110
Activision Blizzard	100,658	Spotify Technology	90,108
Taiwan Semiconductor Manufacturing	96,552	Teradyne	85,031
Ocado	96,342	Twilio	83,434
Visa	95,647	Lumentum	79,164
Mastercard	93,329	Meituan Dianping	79,107
salesforce.com	89,832	NVIDIA	78,606
FANUC	89,549	RingCentral	78,071
Teradyne	89,331	Visa	77,540
Zendesk	89,004	Akamai Technologies	77,262
Xilinx	88,650	Zoom Video Communications	77,232
Spotify Technology	86,950	Splunk	76,835
Intel	86,723	HubSpot	75,679
Grubhub	86,333	Cadence Design Systems	72,228

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Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Healthcare Discovery Fund*

Purchases	Cost US$'000	Sales	Proceeds US$'000
Horizon Therapeutics	1,867	Immunomedics	1,614
Hill-Rom	1,535	MyoKardia	1,559
iRhythm Technologies	1,442	Quidel	1,474
Exelixis	1,391	Recipharm	1,267
Swedish Orphan Biovitrum	1,214	Molina Healthcare	1,151
Encompass Health	1,196	Novocure	1,110
uniQure	1,171	Argenx	924
eHealth	1,144	Momenta Pharmaceuticals	881
Magellan Health	1,102	Nevro	851
Acceleron Pharma	1,059	Ambu	819
Molina Healthcare	1,058	Castle Biosciences	744
Arena Pharmaceuticals	1,053	Veracyte	730
Gerresheimer	1,051	Repligen	682
LHC	1,030	eHealth	666
ACADIA Pharmaceuticals	1,017	Horizon Therapeutics	632
Quidel	1,013	Hikma Pharmaceuticals	610
Syneos Health	979	Amedisys	602
Tandem Diabetes Care	976	Inspire Medical Systems	579
Haemonetics	922	Masimo	551
Hikma Pharmaceuticals	919	Teladoc Health	550
Argenx	918	iRhythm Technologies	544
Tenet Healthcare	897	Guardant Health	537
Novocure	891	Catalent	519
Evotec	876	Globus Medical	460
Medpace	874	Pacific Biosciences of California	433
Ambu	844	LHC	412
Globus Medical	802	HMS Holdings Corp.	409
Ship Healthcare	770	Penumbra	409
Nevro	752	R1 RCM	401
Insmed	743	Medley	374
Meridian Bioscience	741	Pra Health Sciences	372
NATERA INC.	740	Principia Biopharma	363

Purchases	Cost US$'000	Sales	Proceeds US$'000
BRUKER	721	Aimmune Therapeutics	347
MyoKardia	714	Assembly Biosciences	334
Tactile Systems Technology	710	Bio-Techne	328
R1 RCM	699	Owens & Minor	320
Addus HomeCare	695	SmileDirectClub	316
Richter Gedeon Nyrt	692		
HealthEquity	678		
Elekta AB	676		
United Therapeutics	674		
Chemed	654		
Repligen	648		

* Healthcare Discovery Fund launched on 31 January 2020.

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Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Healthcare Opportunities Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
Roche	228,885	AbbVie	226,717
Johnson & Johnson	193,605	Roche	220,030
AbbVie	160,802	Sanofi	193,016
Sanofi	140,875	Stryker	170,168
Novo Nordisk	123,696	Bristol-Myers Squibb	166,286
Stryker	123,448	Fresenius Medical Care	142,906
UnitedHealth	114,000	Novo Nordisk	124,290
Bristol-Myers Squibb	110,676	Zimmer Biomet	115,747
Fresenius Medical Care	97,236	UnitedHealth	108,482
AstraZeneca	96,211	HCA Healthcare	100,827
Smith & Nephew	93,852	Smith & Nephew	78,290
Teleflex	91,725	IQVIA	76,112
Align Technology	80,878	Koninklijke Philips	73,917
Catalent	79,845	GlaxoSmithKline	72,439
EssilorLuxottica	79,666	Becton Dickinson	70,687
Zimmer Biomet	77,410	Immunomedics	70,642
Becton Dickinson	76,090	Medtronic	70,065
Humana	73,940	Hologic	68,673
IQVIA	73,318	Centene	67,757
Centene	71,437	Teleflex	67,496
Medtronic	67,341	Grifols	66,812
Koninklijke Philips	66,556	Quest Diagnostics	65,609
Globus Medical	61,688	AstraZeneca	64,873
Avantor	61,208	Boston Scientific	64,330
Quest Diagnostics	61,010	Baxter International	63,392
HCA Healthcare	60,480	argenx	62,592
Ambu	57,788	Merck	61,173
Hologic	57,529	UCB	60,193
BioMarin Pharmaceutical	57,454	Ambu	59,606
AmerisourceBergen	56,242	Exelixis	58,598
CVS Health	55,952	Regeneron Pharmaceuticals	57,339
Exelixis	55,934	MyoKardia	57,009
Regeneron Pharmaceuticals	53,237	AmerisourceBergen	54,860
argenx	53,146	Horizon Therapeutics	52,397
Syneos Health	52,654	CVS Health	51,764
H. Lundbeck	51,007	Hill-Rom	50,121
STERIS Plc	49,906	Dentsply Sirona	50,120
		Recipharm	49,639
		Amedisys	48,567

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Income Opportunities Fund

Purchases	Cost GBP£'000
Wells Fargo	1,290
Stichting AK Rabobank Certificaten FRN	1,157
Lancashire	1,025
Pension Insurance FRN (Perpetual)	829
Virgin Money UK PLC 5.000% Reset Call Sub Tier 09/02/2026	766
Shawbrook FRN 10/10/2030	750
Legal & General	748
Jupiter Fund Management FRN 27/7/2030	743
FS KKR Capital 4.25.0% 14/02/2025	627
Beazley Insurance 5.500% 10/09/2029	625
Signature Bank	532
BNP Paribas	499
Nationwide Building Society FRN (Perpetual)	492
ING Groep	489
Kasikornbank	488
Legal & General Group FRN 27/06/2064	464
Scottish Widows 7.000% 16/06/2043	451
ICG-Longbow Senior Secured UK Property Debt Investments	420
Legal & General Group FRN 27/10/2045	412
Nationwide Building Society FRN (Perpetual)	400
Allianz	375
Morses Club	360
UK Mortgages	347
International Personal Finance 5.750% 07/04/2021	337
SVB Financial Group	328
Permanent TSB Group FRN 26/09/2024	318
ING Groep FRN (Perpetual)	316
Legal & General Group FRN 01/11/2050	299
Phoenix Group 5.625% 28/4/2031	297
International Personal Finance	289
Bank of America	267
Permanent TSB Group FRN (Perpetual)	262
Amigo Holdings	257
Golub Capital BDC	230

Sales	Proceeds GBP£'000
JPMorgan Chase	4,055
Amigo Luxembourg 7.625% 15/01/2024	3,364
Shawbrook 8.500% 28/10/2025	2,319
Ares Capital	2,293
Pension Insurance FRN (Perpetual)	2,253
Sampo	2,213
PNC Financial Services Group	1,926
Goldman Sachs Group 5.375% 15/03/2020	1,910
ING Groep	1,820
KBC Bank	1,794
Mapletree Commercial Trust REIT	1,717
Borealis Finance 7.500% 16/11/2022	1,712
PennantPark Floating Rate Capital Class C	1,678
Frasers Centrepoint Trust REIT	1,671
HSBC Bank FRN (Perpetual)	1,670
Citigroup	1,631
Chubb	1,579
International Personal Finance	1,556
P2P Global Investments	1,552
SpareBank 1 SMN	1,466
BNP Paribas	1,428
Aegon FRN 31/12/2049	1,421
AJ Bell	1,391
Blackstone Group	1,328
Bank of America	1,325
Sumitomo Mitsui Financial	1,264
Direct Line Insurance	1,221
Arch Capital	1,208
Aldermore 11.875% 31/12/2049	1,200
First Republic Bank	1,197
Aldermore 8.500% 28/10/2026	1,190
Provident Financial 8.250% 04/06/2023	1,112
PGH Capital 6.625% 18/12/2025	1,091
Wachovia Capital Trust III 5.570% 29/03/2049	1,089
Nationwide Building Society FRN (Perpetual)	1,076
Solar Capital	1,057
Allianz	1,054
UK Mortgages	1,045
Fortune Real Estate Investment Trust REIT	1,022
Oversea-Chinese Banking	1,012

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Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

Japan Value Fund

Purchases	Cost JPY¥'000	Sales	Proceeds JPY¥'000
Tokio Marine	936,658	Showa Aircraft Industry	1,507,660
Nihon Parkerizing	874,994	Mitsubishi UFJ Financial	1,087,718
Forum Engineering	859,158	Denso	1,040,667
East Japan Railway	827,963	Nippon Telegraph & Telephone	949,792
Alps Alpine	801,474	Tsukui	937,774
Bridgestone	675,737	Toray Industries	867,179
Suzuki Motor	626,855	Yamato	858,727
Mirait	612,347	Stanley Electric	841,390
NTT Data	601,705	Suzuki Motor	771,606
Seibu	587,109	Bank of Kyoto	756,906
Tsumura	520,397	Jafco	722,459
KDDI	508,835	Japan Airlines	689,870
Kyocera	483,162	Nihon Parkerizing	656,182
SK Kaken	472,322	Toda	655,499
Aeon Delight	397,383	Tsumura	624,688
Suntory Beverage & Food	375,311	East Japan Railway	613,491
Toshiba	362,099	Mabuchi Motor	601,228
Mitsubishi UFJ Lease & Finance	359,221	Sumitomo Mitsui Financial	581,236
NS Solutions	358,492	Mitsui Fudosan	579,477
DTS	333,430	Amuse	579,327
Amuse	329,446	Aeon Mall	579,319
CONEXIO	307,950	Nippon Electric Glass	576,728
United Arrows	286,226	Daiwa Industries	564,879
Nikon	280,958	Lintec	538,074
Konami	272,267	Chudenko	532,702
Kissei Pharmaceutical	271,117	Sumitomo Electric Industries	457,842
Secom Joshinetsu	262,831	Mitsubishi UFJ Lease & Finance	428,158

Purchases	Cost JPY¥'000	Sales	Proceeds JPY¥'000
Toda	231,151	Tokyo Broadcasting System	421,179
San-A	202,430	TV Asahi	417,991
Mitsui Fudosan	188,151	Maeda	416,164
		Kuraray	405,003
		NTT Data	388,233
		Seibu	367,288
		Kaga Electronics	355,690
		Hogy Medical	350,370
		H2O Retailing	344,549
		Topre	343,579
		Nitto Kohki	334,030
		Inpex	332,372
		Konami	326,080
		Alps Alpine	325,115
		Toppan Forms	313,368
		San-A	313,069
		Tokio Marine	291,536
		JSP	287,641

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Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

North American Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
Microsoft	61,030	Alphabet	102,480
Booking	51,823	Amazon.com	100,380
Medtronic	46,486	Berkshire Hathaway	64,377
Verizon Communications	38,966	Visa	52,064
Envista	38,811	S&P Global	44,942
Johnson & Johnson	32,725	Booz Allen Hamilton	43,909
Merck	31,923	United Technologies	43,143
UnitedHealth	28,921	Verizon Communications	42,512
T-Mobile US	28,192	Dolby Laboratories	41,412
Centene	23,300	Facebook	38,599
Alphabet	22,597	Johnson & Johnson	37,748
Intercontinental Exchange	21,520	Canadian Natural Resources	37,478
Citigroup	21,265	Marsh & McLennan	37,450
IAC/InterActiveCorp	20,362	Stericycle	37,166
Travelers Companies	19,543	ICON	35,652
Sabre	18,212	Global Payments	34,656
Applied Materials	15,990	Merck	34,511
LiveRamp Holdings	15,656	Citigroup	33,778
United Rentals	15,273	Booking	33,618
eBay	15,116	Bank of America	32,674
TE Connectivity	13,615	Agilent Technologies	32,547
Amazon.com	12,243	eBay	31,110
Facebook	12,228	SS&C Technologies	30,944
Chubb	11,750	UnitedHealth	28,952
Liberty Media	10,948	Fiserv	28,813
Mohawk Industries	10,510	Suncor Energy	28,765
US Foods	10,491	Ametek	28,035
Colfax	9,644	Markel	28,031
Constellation Software	8,909	Northern Trust Global Funds – US Dollar	26,650
Samsonite International	8,716	Entegris	26,370

Purchases	Cost US$'000	Sales	Proceeds US$'000
Anthem	8,568	Arch Capital	26,277
Canadian Natural Resources	8,542	Envista	25,703
Stitch Fix	8,456	Chubb	24,678
Marsh & McLennan	8,365	Anthem	24,141
		Freeport-McMoRan	23,153
		Mohawk Industries	23,037
		Danaher	22,759
		Microsoft	22,725
		JPMorgan Chase	22,524
		Altria	21,014
		Pfizer	20,181
		Medtronic	20,028
		Texal Pacific Land Trust	19,247
		Affiliated Managers	18,810
		Autodesk	18,572

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Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

UK Absolute Equity Fund*

Purchases	Cost GBP£'000
Northern Trust Global Funds – Sterling Fund	25,000
Fresnillo	22,610
Plus500	17,783
Redrow	16,496
Chemring	15,938
Ocado	12,423
Ceres Power	8,862
Persimmon	8,212
Flutter Entertainment	4,528
Intermediate Capital	1,711
Dart	1,700
SigmaRoc	613
Pretium Resources	503
easyJet	105

Sales	Proceeds GBP£'000
Games Workshop	36,114
Northern Trust Global Funds – Sterling Fund	25,000
IG	24,393
Flutter Entertainment	23,417
Associated British Foods	20,726
Plus500	20,687
Fresnillo	19,601
Breedon	19,121
IWG	19,108
International Consolidated Airlines	18,260
Serco Group	16,135
Next	15,512
Avon Rubber	14,885
Royal Bank of Scotland	13,917
Barclays	12,565
Euromoney Institutional Investor	12,017
Persimmon	11,712
Ocado	11,677
AB Dynamics	11,264
Chemring	11,021
3i	9,058
Dart	9,022
Rotork	8,057
Redrow	7,146
Ceres Power	7,068
Intermediate Capital	6,485
easyJet	5,029

* UK Absolute Equity Fund terminated on 15 May 2020.

UK Value Opportunities Fund

Purchases	Cost US$'000	Sales	Proceeds US$'000
Lancashire	25,921	Avon Rubber	28,441
JD Sports Fashion	23,152	JD Sports Fashion	21,975
Reckitt Benckiser	22,568	Wizz Air	20,996
Watches of Switzerland	19,533	RSA Insurance	20,968
Ashmore	17,382	Gamesys	20,780
Prudential	16,863	Hikma Pharmaceuticals	19,047
Ultra Electronics	16,758	GlaxoSmithKline	17,526
Premier Foods	15,889	SSP	17,500
Wizz Air	15,187	Royal Dutch Shell	16,127
Polymetal International	14,858	Persimmon	16,114
Cranswick	14,547	Computacenter	14,635
Young & Co's Brewery	14,041	Next	14,410
Spirent Communications	13,574	Hilton Food	14,189
B&M European Value Retail	13,379	WH Smith	13,879
Hikma Pharmaceuticals	13,335	3i	12,965
Investec	13,315	Coats	12,597
RSA Insurance	13,166	International Consolidated Airlines	12,573
Stock Spirits	12,480	Electrocomponents	11,506
Barratt Developments	12,141	Cranswick	11,004
On the Beach	11,274	BP	10,469
Rank	11,223	Morgan Sindall	10,106
Greggs	10,855	Rio Tinto	10,032
James Fisher & Sons	10,832	Anglo American	9,890
SThree	10,788	C&C	9,885
Wm Morrison Supermarkets	10,439	On the Beach	9,645
Marks & Spencer	10,419	ITV	9,621
Hilton Food	10,373	Redde	9,608
3i	10,214	Barclays	9,503
AG Barr	10,101	Prudential	9,385
Grafton	10,062	DiscoverIE	8,849
Jadestone Energy	9,684	Hill & Smith	8,766
Aviva	9,607	Legal & General	8,734
Computacenter	9,507	Greggs	8,011
Natwest	9,179	Strix	7,913
Brewin Dolphin	9,124	IG Design	7,836

Statement of Significant Portfolio Movements (unaudited) continued

For the financial year ended 31 December 2020

UK Value Opportunities Fund continued

Purchases	Cost US$'000	Sales	Proceeds US$'000
QinetiQ	8,653	OneSavings Bank	7,358
Vistry	8,491	Watches of Switzerland	7,226
Numis	8,274	Morgan Advanced Materials	7,025
Vesuvius	8,002	Vistry	6,959
Legal & General	7,697	Trifast	6,691
SSP	7,616	Central Asia Metals	6,560
Marlowe	7,392	Gocompare.com	6,420
Morgan Advanced Materials	7,292		
Forterra	6,940		
Barclays	6,906		

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Information for Investors (unaudited)

Information for Investors in the Federal Republic of Germany (unaudited)

The Prospectus, the Key Investor Information Document, the Memorandum and Articles of Association of the Company and the annual and semi-annual reports of the Company and a complete listing of the purchases and sales during the period, each in paper form, as well as the Net Asset Value per Share, issue and redemption prices and any switching prices are available and may be obtained free of charge at the office of the German Paying and Information Agent.

Information for Investors in Switzerland (unaudited)

The Company has appointed BNP Paribas Securities Services, Paris, Succursale de Zurich, Switzerland as representative and paying agent for Switzerland. For redeemable participating shares distributed in Switzerland, the performance place is at BNP Paribas Securities Services' address. Investors, can obtain free of charge, the prospectus, the simplified prospectus (both also available for potential investors), and the last annual and interim reports, in German and a list of the purchases and sales made on behalf of the Company, from the representative at the above address and the official publications for the Company are published in Fund info.

Following a directive of the Swiss Funds Association dated 27 July 2004, the Company is required to supply performance data in conformity with the said directive. This data can be found under each of the Fund reports.

Please note that all references to a specific index are for comparative purposes only.

Past performance is no indication of current or future performance. The value of an investment can fall as well as rise as a result of market fluctuations and investors may not get back the amount originally invested. The performance data does not take account of the commissions and costs incurred on the issue and redemption of redeemable participating shares.

Investors should contact the Swiss representative at the above address should they require additional information, e.g. on performance including the composition of the relevant indices where applicable.

Information for Investors (unaudited) continued

Total Expense Ratio

Pursuant to a guideline from the Swiss Funds Association dated January 2006, the Company is required to publish a Total Expense Ratio (TER) for the financial year ended 31 December 2020.

The TERs for each Fund for the last two financial years are as follows:

	31 December 2020		31 December 2019	
Name of Fund	TER (excluding performance fee) in %	TER (including performance fee) in %	TER (excluding performance fee) in %	TER (including performance fee) in %
Asian Opportunities Fund	1.19	1.62	1.18	1.18
Asian Stars Fund	0.71	2.48	0.67	1.55
Automation & Artificial Intelligence Fund	0.55	2.69	0.72	1.46
Biotechnology Fund	1.33	1.33	1.34	1.75
China Stars Fund	0.71	1.67	0.65	0.65
Emerging Markets Income Fund	0.98	0.98	1.00	1.00
Emerging Market Stars Fund	0.66	2.29	0.67	0.67
European ex UK Income Fund	0.97	0.97	0.87	0.87
Financial Opportunities Fund	1.16	1.23	1.13	1.13
Global Absolute Return Fund	0.90	4.55	0.16	0.16
Global Convertible Fund	0.97	0.97	1.03	1.03
Global Insurance Fund	0.90	0.90	0.90	0.90
Global Technology Fund	1.28	1.81	1.27	1.27
Healthcare Blue Chip Fund	0.75	0.75	0.73	0.73
Healthcare Discovery Fund*	0.78	1.65	N/A	N/A
Healthcare Opportunities Fund	1.20	1.24	1.22	1.22
Income Opportunities Fund	1.11	1.71	1.00	0.98
Japan Value Fund	1.00	1.00	(0.29)	(0.29)
North American Fund	0.74	0.74	0.82	0.82
UK Absolute Equity Fund**	–	–	1.18	2.02
UK Value Opportunities Fund	0.66	0.89	0.75	0.79

Total Expense Ratio is calculated after an adjustment for swing pricing.

* Healthcare Discovery launched on 31 January 2020.

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

PEA Compliance (unaudited)

The European ex UK Income Fund is Plan d'Epargne en Actions ('PEA') eligible. For the purpose of eligibility requirement of Article L-221-31 of the French Monetary and Financial Code, the Fund must at all times during the financial year ended 31 December 2020 be invested in more than 75% of PEA eligible assets. PEA eligible assets are defined as equity or equity equivalent securities, which have their registered office in a country which is a member of the EU or the European Economic Area.

	% PEA Eligible Assets 31 December 2020	% PEA Eligible Assets 31 December 2019
European ex UK Income Fund	81.48%	80.89%

Appendix I – Remuneration Disclosures (unaudited)

The Company has designed and implements a remuneration policy which is intended to comply with the provisions of the Central Bank UCITS Regulations and the ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD (ESMA/2016/411) (the 'ESMA Remuneration Guidelines') each of which may be amended from time to time. The Company's remuneration policy includes measures to avoid conflicts of interest.

The Company's remuneration policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the risk profile of the Company. The result of this categorisation is such that the remuneration policy will only be applicable to the Directors and individuals carrying out control functions. Governance and monitoring services are the responsibility of Bridge Consulting Limited ('Bridge Consulting'), which the Company has appointed to provide it with governance services in connection with the Company's UCITS management functions. Bridge Consulting received a fixed annual fee in 2020 of €92,072 (2019 of €93,050) and the Company does not pay any of the individuals employed by Bridge Consulting directly.

As the Company does not have any employees and it does not pay any variable remuneration to any of the Directors of the Company, the pay-out process rules are not applicable to the Company. On this basis and on the basis of proportionality (i.e. the Company's size, internal organisation, nature, the scope and complexity of its activities), the Directors have decided to disapply the remuneration committee requirement. The Directors are satisfied that this disapplication is reconcilable with the risk profile, risk appetite and the strategy of the Company. The Directors, remuneration is disclosed in the Statement of Comprehensive Income.

The board of Directors of the Company in its supervisory function (being the body with ultimate decision-making authority in the Company and comprising the supervisory and managerial functions) is responsible for, and oversees, the implementation of the remuneration policy.

As the Company delegates investment management functions in respect of the Company, it will, in accordance with the requirements of the ESMA Remuneration Guidelines, ensure that:

a. the entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Remuneration Guidelines; or

b. appropriate contractual arrangements are put in place to ensure that the delegates apply in a proportionate manner the remuneration rules as detailed in the UCITS Directive as amended such that there is no circumvention of the remuneration rules set out in the ESMA Remuneration Guidelines.

Appendix II – Securities Financing Transactions Regulation (unaudited)

The Securities Financing Transactions Regulation ('SFTR') came into effect on 12 January 2016. Article 13 requires information to be provided as to the use of securities financing transactions ('SFTs') and Total Return Swaps ('TRSs'). A Securities Financing Transaction ('SFT') is defined as per Article 3 (11) of the SFTR as: a repurchase transaction, securities or commodities lending and securities or commodities borrowing; a buy-sell back transaction or sell-buy back transaction; or a margin lending transaction.

As at 31 December 2020, the Company held the following types of SFTs: Total Return Swaps (including CFDs). The amount of securities and commodities on loan as a proportion of total lendable assets (excluding cash and cash equivalents) was 0.00% as at 31 December 2020.

Global Data:

Type of Asset	Absolute Amount	Proportion of AUM (%)
Contracts for difference		
Global Absolute Return Fund	$33,931,146	25.46%
Global Convertible Fund	$117,924,166	5.98%

Concentration Data:

The largest collateral issuers across all SFTs are as follows:

	Collateral Issuers	Volume of the collateral securities and commodities
1	UBS AG	-$35,921,829
2	Credit Suisse	£9,296

The gross volume of outstanding trades with each counterparty across all SFTs is as follows:

	Counterparty	Gross volume of outstanding trades*
Contracts for difference		
Global Absolute Return Fund	UBS AG	$33,931,146
Global Convertible Fund	UBS AG	$117,924,166

* Gross volume of outstanding transactions expressed as market value of open derivative contracts at the reporting date.

Aggregate transaction data

Contracts for difference	Type/Quality of collateral	Currency	Maturity tenor (collateral)	Maturity tenor (SFTs/Total Return Swaps)	Country of counterparty establishment (not collateral)	Settlement and clearing
Global Absolute Return Fund						
UBS AG	Cash	Multiple	>1 year	>1 year	Switzerland	Bilateral
Global Convertible Fund						
UBS AG	Cash	Multiple	>1 year	>1 year	Switzerland	Bilateral

The share of collateral that is reused is 0.00%.

Safekeeping

Prime Broker	Collateral assets safe-kept
Credit Suisse	Cash, Equity Collateral
UBS AG	Cash, Bonds, Equity Collateral

The proportion of collateral held in segregated accounts, in pooled accounts or any other accounts is 100.00%.

Return/(Costs)

	Absolute Returns		Overall returns
Contracts for difference	Return	Cost	%
Global Absolute Return Fund	$2,952	($21,139,792)	100
Global Convertible Fund	$4,281	($12,129,790)	100

Management and Administration

Directors (all non-executive):

David Astor (GB)*

Robert Bovet (MT)* (Chairman)

James Cayzer-Colvin (GB)

Ronan Daly (IE)* – (Resigned 16 June 2020)

David Hammond (IE)*

Charles Scott (GB)*

Barbara Healy (IE)* – (Appointed 11 June 2020 and resigned 16 February 2021)

Karen Nolan (IE)* – (Appointed 16 February 2021)

* Directors independent of the Investment Manager

Investment Manager and Global Distributor:

Polar Capital LLP

16 Palace Street
London SW1E 5JD
United Kingdom

Administrator, Registrar, Transfer Agent and Company Secretary:

Northern Trust Fund Administration Services (Ireland) Limited

Georges Court
54–62 Townsend Street
Dublin D02 R156
Ireland

Legal Advisers
as to Irish law:

Dillon Eustace

33 Sir John Rogerson's Quay
Dublin D02 XK09
Ireland

Sponsoring Broker:

Davy Stockbroker

Davy House
49 Dawson Street
Dublin D02 PY05
Ireland

Swiss Paying Agent/Representative:

BNP Paribas Securities Services Paris

Succursale de Zurich
Selnaustrasse 16
8002 Zürich
Switzerland

French Centralising and Paying Agent:

BNP Paribas Securities Services

66 Rue de la Victoire
75009 Paris
France

Registered Office:

Georges Court
54–62 Townsend Street
Dublin D02 R156
Ireland

Company Registration Number:

348391

Depositary:

Northern Trust Fiduciary Services (Ireland) Limited

Georges Court
54–62 Townsend Street
Dublin D02 R156
Ireland

Independent Auditor:

Deloitte Ireland LLP

Chartered Accountants & Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin D02 AY28
Ireland

Swedish Paying Agent:

SEB Merchant Banking

Sergels Tog 2, ST H1
10640 Stockholm
Sweden

German Paying and Information Agent:

Deutsche Bank AG

Taunusanlage 12
60325
Frankfurt am Main
Germany

Austrian Paying Agent:

UniCredit Bank Austria AG

Rothschildplatz 1
1020 Vienna
Austria

Governance and Monitoring Services:

MJ Hudson

Ferry House
48–53 Mount Street Lower
Dublin D02 PT98

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