

12 October 2023

**Polar Capital Holdings plc**  
**AuM Update**

Polar Capital Holdings plc (“Polar Capital” or the “Group”), the specialist active asset management group, today provides a quarterly update of its unaudited statement of Assets under Management (“AuM”).

**Group AuM** (unaudited)

Polar Capital reports that as at 30 September 2023 its AuM were £19.1bn compared to £19.2bn at the end of March 2023. During the six-month period, AuM decreased by net redemptions of £0.6bn, outflows from fund closures of £50m offset by a £0.5bn increase related to market movement and fund performance.

<b>AuM movement in six months to 30 September 2023</b>				
	<b>Open ended funds</b>	<b>Investment Trusts</b>	<b>Segregated mandates</b>	<b>Total</b>
AuM at 1 April 2023	£14,281m	£3,910m	£1,029m	£19,220m
Net flows	£(475)m	£(78)m	£(28)m	£(581)m
Fund closures <sup>1</sup>	£(7)m	-	£(43)m	£(50)m
Market movement and performance	£306m	£271m	£(31)m	£546m
<b>Total AuM at 30 September 2023</b>	<b>£14,105m</b>	<b>£4,103m</b>	<b>£927m</b>	<b>£19,135m</b>

<sup>1</sup> Return of funds to investors on closure of the Melchior European Absolute Return fund (Q1) and related segregated mandate (Q2).

**Net performance fees** (unaudited)

The table below sets out the position relating to net performance fee profits due to the Group (after the deduction of staff interests) as a product of accrued performance fees in funds managed by the Group three months before the strike point of such performance fee receipts. The majority of the Group’s performance fees crystallise in the second half of the financial year. There is no certainty that the fees will be sustained over the next quarter, as performance fees can be volatile.

<b>Performance fees net of staff allocations</b>	<b>Six months to 30 Sept 22</b>	<b>Year to 31 Mar 23 (year-end)</b>	<b>Six months to 30 Sept 23</b>
Received	-	£1.7m	-
Accrued but not yet earned in funds with year ends on or before the financial year end	£4.8m	n/a	£1.3m*
<b>Total net performance fee profits</b>	<b>£4.8m</b>	<b>£1.7m</b>	<b>£1.3m*</b>

\*The figures have been reduced by £0.8m of net performance fee distributions that relate to prior accounting periods that IFRS require to be deducted from this year’s receipts.

**Gavin Rochussen, Chief Executive, commented:**

"There has been continued demand and inflows into the Artificial Intelligence, Japan Value, Emerging Market Stars, Asia Stars and Smart Energy Funds, with combined net inflows of £225m across these funds in the quarter.

"A combination of the continued challenging environment for equity markets, net outflows, fund closures and fund performance meant that our AuM at the end of the six-month period were £19.1bn compared to £19.7bn at the end of the previous quarter and £19.2bn at the end of March 2023. Total net outflows for the quarter were £423m.

"During the quarter, the rate of outflows from the open-ended Technology funds continued to decline, with £74m of net outflows compared to £103m in the previous quarter and £199m in the first quarter of this calendar year.

"Despite the challenging back drop, we are pleased with the continuing progress in diversifying the business. The Smart funds managed by the Sustainable Thematic team have now collectively reached AuM of £280m. The Emerging Market and Asia Stars team now collectively manages £1.5bn of AuM and continues its progress in the US with US domiciled vehicles now surpassing £125m.

"Later this month the Global Insurance Fund celebrates its 25-year anniversary. Since launch it has delivered strong and consistent annualised returns to shareholders of circa 10% pa, by investing for the long-term in a concentrated portfolio of best-in-class non-life insurers. Insurance sector performance is typically counter-cyclical, offering investors genuine diversification with unique drivers and we look forward to continuing to generate steady returns for our investors for many years to come.

"We remain confident that with our diverse range of differentiated, active specialist fund strategies we are well-positioned to perform for our clients and shareholders over the long term."

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