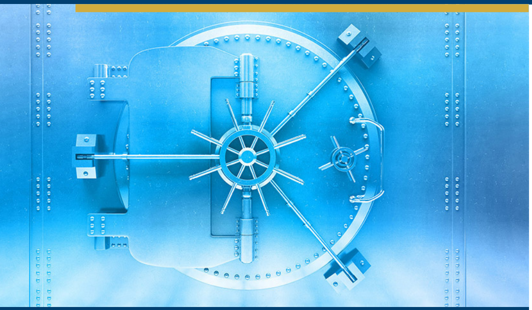
Polar Capital Global Financials Trust plc



Trust Fact Sheet

Ordinary Shares

Share Price	181.40p
NAV per share	192.96p
Premium	-
Discount	-5.99%
Capital	303,319,365 shares of 5p*

*Excluding Ordinary shares held in treasury

Assets & Gearing [1]

Total Net Assets	£585.3m
AIC Gearing Ratio	10.16%
AIC Net Cash Ratio	n/a

Fees [2]

Management	0.70%
Performance	10.00%
Ongoing Charges	0.86%

Historic Yield (%) [3] 2.54

Dividends (pence per share)

August 2024 (Paid)	2.50
February 2024 (Paid)	2.10
August 2023 (Paid)	2.45
February 2023 (Paid)	2.05

Fund Managers

Nick Brind
Fund Manager
Nick has co-managed the Trust since launch, he joined Polar Capital in 2010 and has 30 years of industry experience.

George Barrow
Fund Manager
George has co-managed the Trust since 2020, he joined Polar Capital in 2010 and has 16 years of industry experience.

Tom Dorner
Fund Manager
Tom has co-managed the Trust since 2024, he joined Polar Capital in 2023 and has 23 years of industry experience.

Trust Profile

Investment Objective

The Company's investment objective is to generate for investors a growing dividend income together with capital appreciation.

Key Facts

- The only UK-listed Investment Trust solely focused on financials
- Twin objectives of growing investors' dividend income and capital
- A broad, global multi-cap remit
- Large dedicated investment team with over 95 years of experience in the sector

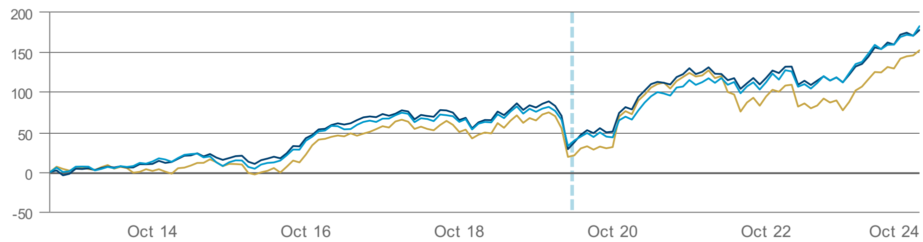
Investment Policy

The Company will seek to achieve its objective by investing primarily in a global portfolio consisting of listed or quoted securities issued by companies in the financials sector operating in the banking, insurance, property and other sub-sectors.

Performance

Performance Since Launch (%)

Ordinary Share Price (TR) [4] NAV per Share (TR) MSCI ACWI Financials (NTR) [5]



	1m	3m	YTD	1yr	3yrs	Since Tender [5]	Since Launch
Ordinary Share Price (TR)	2.60	4.31	24.88	42.42	12.63	111.04	152.51
NAV per Share (TR)	2.70	2.16	19.70	30.88	20.83	113.64	178.02
MSCI ACWI Financials (NTR)	4.44	5.05	20.20	33.29	31.40	111.71	182.82

Discrete Annual Performance (%)

	Financial YTD	31.10.23 31.10.24	31.10.22 31.10.23	29.10.21 31.10.22	30.10.20 29.10.21	31.10.19 30.10.20
Ordinary Share Price (TR)	34.42	42.42	-8.92	-13.17	70.80	-20.25
NAV per Share (TR)	25.27	30.88	-2.54	-5.27	52.79	-16.72
MSCI ACWI Financials (NTR)	26.28	33.29	-0.16	-1.26	50.15	-18.31

Calendar Year Performance (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Ordinary Share Price (TR)	0.81	-9.24	25.38	0.85	23.02	-13.01	16.16	28.52	8.94	-3.21
NAV per Share (TR)	3.67	-0.65	24.37	-3.85	21.90	-10.59	12.78	27.40	8.08	6.49
MSCI ACWI Financials (NTR)	9.03	1.52	25.50	-6.75	18.49	-10.42	13.34	31.94	-1.07	8.43

Performance relates to past returns and is not a reliable indicator of future returns.
Source: Bloomberg & HSBC Securities Services (UK) Limited, percentage growth, Net of Fees in GBP terms.
The Net Asset Value (NAV) at launch was 98.0p per ordinary share based on the subscription price of 100.0p per ordinary share and launch costs of 2.0p per ordinary share.
1. Gearing calculations are exclusive of current year revenue/loss.
2. Management fees are charged 80% to capital and 20% to revenue. Performance fees are allocated 100% to capital. The management fee is calculated against the NAV. The performance fee is subject to a maximum cap and calculation against a hurdle. Ongoing charges (OCR) are calculated at the latest published year end date, excluding any performance fees. Ongoing Charges are the total operating expenses, excluding any performance fee, of the Company expressed as a percentage of the average daily net asset value during the year. The OCR shows the annual percentage reduction in the net asset value as a result of the costs of running the Company. The OCR for the year to 30 November 2023 was 0.86%. The figures are current estimates and may change in the future. Please see the Annual Report and Financial Statements for further information about the calculation of fees.
3. The Historic Yield reflects distributions declared over the past twelve months as a percentage of the share price, as at the date of this fact sheet. It does not include any initial charge and investors may be subject to tax on their distributions.
4. Ordinary share price (TR) is calculated by reinvesting dividends at relevant ex-dividend dates, not taking into account returns shareholders would have received from the subscription shares issued at launch. Please note subscription shares were subject to a single exercise date being 31 July 2017.
5. The MSCI ACWI Financials Net Total Return Index was adopted as the Trust's benchmark in April 2020.
6. The tender offer carried out on 22 April 2020 following approval to extend the Company's life indefinitely is represented by the blue dotted line on the performance graph. From 23 April 2020 the performance fee is calculated on outperformance of the benchmark index +1.5% per annum, compounded annually.
Risk Warning Your capital is at risk. You may not get back the full amount you invested. Please note the Risks and Important information at the end of this document, and the Investment Policy and full Risk Warnings set out in the Prospectus, Annual Report and/or Investor Disclosure Document.
Discount Warning The shares of investment trusts may trade at a discount or a premium to Net Asset Value for a variety of reasons including market sentiment and market conditions. On a sale you could realise less than the Net Asset Value and less than you originally invested. FE Alpha Manager Ratings do not constitute investment advice offered by FE and should not be used as the sole basis for making any investment decision.

Portfolio Exposure

As at 31 October 2024

Top 10 Positions (%)

JPMorgan	6.6
Mastercard	4.5
Bank of America	3.9
Visa	2.8
UniCredit	2.6
Fidelity National Information	2.4
Nasdaq	2.1
ICICI Bank	1.9
Barclays	1.9
Erste Group Bank AG	1.9
Total	**30.7**

Total Number of Positions **90**

Active Share **77.12%**

Market Capitalisation Exposure (%) [1]

Mega Cap	28.2
Large Cap	26.8
Mid Cap	17.9
Small Cap	12.9
Smallest Cap	14.2

Trust Characteristics

Launch Date	01 July 2013
Year End	30 November
Results Announced	Late Jan/Feb
Next AGM	March-May
Trust Term	No fixed life; 5 yearly tender offers
Next Tender Offer	30 June 2025
Listed	London Stock Exchange

Benchmark

MSCI ACWI Financials Net Total Return Index (in Sterling)

Codes

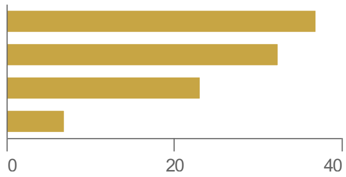
Ordinary Shares

ISIN	GB00B9XQT119
SEDOL	B9XQT11
London Stock Exchange	PCFT

Discount Warning The shares of investment trusts may trade at a discount or a premium to Net Asset Value for a variety of reasons including market sentiment and market conditions. On a sale you could realise less than the Net Asset Value and less than you initially invested.

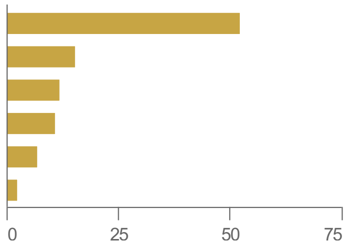
Sector Exposure (%)

Financial Services	37.1
Banks	32.7
Insurance	23.3
Fixed Income	7.0



Geographic Exposure (%)

North America	52.4
Europe	15.3
UK	11.9
Asia Pac (ex-Japan)	10.8
Fixed Income	7.0
Japan	2.5



The entire investment portfolio is published in the annual and half year report as well as being announced to the London Stock Exchange on a quarterly basis.

Note: Totals may not sum due to rounding. It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request.

1. Market capitalisation ranges are defined by Polar Capital and are subject to change.

Investing in the Trust and Shareholder Information

Market Purchases

The ordinary shares are listed and traded on the London Stock Exchange. Investors may purchase shares through their stockbroker, bank or other financial intermediary.

Share Dealing Services

Details of the different ways of dealing in the company's shares are given on the website. Equiniti, the company's registrars provide an internet share sale service.

Telephone 0800 876 6889
Online www.shareview.co.uk

Corporate Contacts

Registered Office and Website
16 Palace Street, London SW1E 5JD
www.polarcapitalglobalfinancialstrust.com

Registrar
Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA
www.shareview.co.uk

Custodian
HSBC Plc is the Depositary and provides global custody of all the company's investments.

Fund Managers' Comments

Market review

Equity markets fell in October as government bond yields rose over concern about the post-US presidential election outlook for taxes and government expenditure and the impact on US inflation, exacerbated by some market unease around the UK Budget, which led to profit-taking. However, for UK investors in global assets, a 3.6% fall in the value of sterling over the month resulted in a positive outcome.

Against this background, the Trust's net asset value (NAV) rose 2.7% while its benchmark index, the MSCI All Country World Financials Index, rose 4.4%. The underperformance over the month was due to the combination of an overweight position in the UK and defensive positioning in the US.

US financials

US banks were very strong over the month, rising by 10.7% in sterling terms. Having succumbed to some profit-taking in September – in part following JP Morgan guiding down on earnings expectations – results were solid and the market reacted positively to them. While revenues came in stronger than expected, guidance that net interest income is set to grow in 2025 is a big positive. Comments about asset quality were also reassuring with JP Morgan's Chief Financial Officer stating on the bank's call with financial analysts: "Spending patterns [are] consistent with the narrative that the consumer is on a solid footing and consistent with the strong labour market."

Conversely, insurance stocks materially lagged over the month, largely due to their defensive characteristics. However, Arch Capital was a particular drag on performance; it has been a strong performer over the year to date but gave back some of these gains in October. This reflected a combination of industry concerns on reserves related to social inflation and an unexpected leadership change with the Chief Executive stepping down. We believe the business remains well placed to sustain strong premium growth and underwriting margins, with results later in the month coming in line with expectations.

Elsewhere, we have continued to see solid results from our holdings in, for example, alternative asset managers with Blackstone and Ares Management both reporting double-digit growth in assets under management on the back of continued inflows of capital. This is in stark contrast to their traditional asset management peers that (outside the likes of BlackRock, with its exposure to the growth in exchange-traded funds) continue to suffer much more challenging operating conditions.

UK motor finance

Towards the end of the month, the UK Court of Appeal issued a potentially precedent-setting ruling against Close Brothers Group* and MotoNovo (owned by FirstRand Bank*) in relation to historical motor finance commission arrangements. Crucially, the ruling goes beyond the regulatory requirements set out by the UK's Financial Conduct Authority (FCA), which had already announced an investigation into historical discretionary commission arrangements for motor finance loans back in January. Indeed, while the FCA has required disclosure around the existence of commission arrangements and has banned discretionary commissions since 2021, the Court of Appeal's ruling requires not only the disclosure of the commission amount, but also the express customer consent should a commission payment have occurred.

While both banks have announced plans to appeal to the UK Supreme Court, the timing of any decision is highly uncertain. The ruling itself also raises considerable uncertainty over the implications of the FCA's current investigation of historical discretionary commissions and materially increases the likelihood of a scheme of redress to compensate customers. The ruling has also raised the prospect that commission arrangements for other lending products could be affected. As a result of the Court of Appeal ruling, there has been a significant fall in the share price of Close Brothers Group* and to a lesser extent Lloyds Banking Group* but also the shares of some other much smaller UK banks that have significant exposure.

Investment activity

We sold holdings in AIB Group and Banco Santander during the month to pivot the portfolio and increase exposure to the US on the back of the increasing likelihood of a soft landing for its economy and a positive market reaction to the outcome of the US election. We remain overweight European banks and continue to see them as undervalued but in the shorter term felt that there was some downside risk from weaker growth and therefore interest rates that could weigh on share prices. We bought new holdings in Bank of America, US Bancorp and BlackRock.

Outlook

The election of Donald Trump, with the Republican Party also taking control of the Senate and expected to take control of the House of Representatives, should be positive for the financial sector in the expectation of easing regulation for banks and a pickup in merger and acquisition (M&A) activity. The Trump administration's ability to make leadership changes at federal regulatory agencies, such as the Federal Trade Commission, which oversees anti-trust concerns, will allow it to roll back or abolish regulations and speed up M&A approvals that have been on hold under its current chair Lina Khan, who was appointed by the Democrats in 2021.

Moreover, Republican Senator Tim Scott's role as the next chair of the Senate Banking Committee, will emphasise a notable shift in tone for the committee after Democrat Senator Sherrod Brown's leadership. Scott has been a vocal opponent of the Federal Reserve-led effort to revamp capital requirements for banks. He led a push by 39 Republican senators last year, asking regulators to withdraw the initial Basel III proposal that was put forward in 2023, which would have led to a significant increase in capital requirements for banks.

The playbook from Trump's election win in 2016 is informative in that there was a significant rally in financials, which lasted around 18 months. The starting point for valuations is higher this time which, all things being equal, may temper the size of any sustained rally. Nevertheless, while the expectation of lower regulatory pressures on banks is indeed positive and a welcome development, the outlook for the US economy, which drives loan demand and credit losses, will exert greater influence on the sector's longer-term performance. The sector's valuation, while no longer anomalously cheap in absolute terms, remains at a deep discount to the wider equity market.

* not held

Nick Brind, George Barrow and Tom Dorner

14 November 2024

It should not be assumed that recommendations made in future will be profitable or will equal performance of the securities in this document. A list of all recommendations made within the immediately preceding 12 months is available upon request.

Risks

- Investors' capital is at risk and there is no guarantee the Company will achieve its objective.
- Past performance is not a reliable guide to future performance.
- The value of investments may go down as well as up.
- Investors might get back less than they originally invested.
- The value of an investment's assets may be affected by a variety of uncertainties such as (but not limited to): (i) international political developments; (ii) market sentiment; and (iii) economic conditions.
- The shares of the Company may trade at a discount or a premium to Net Asset Value.
- The Company may use derivatives which carry the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions.
- The Company invests in assets denominated in currencies other than the Company's base currency and changes in exchange rates may have a negative impact on the value of the Company's investments.
- The Company invests in a concentrated number of companies based in one sector. This focused strategy can lead to significant losses. The Company may be less diversified than other investment companies.
- The Company may invest in emerging markets where there is a greater risk of volatility than developed economies, for example due to political and economic uncertainties and restrictions on foreign investment. Emerging markets are typically less liquid than developed economies which may result in large price movements to the Company.

Glossary

Active Share, a measure of how actively a portfolio is managed, is the percentage of the portfolio that differs from its benchmark. It is calculated by deducting from 100 the percentage of the portfolio that overlaps with the benchmark. An active share of 100 indicates no overlap with the benchmark and an active share of zero indicates a portfolio that tracks the benchmark.

Alpha is the excess return on an investment in the Company compared to the benchmark and can be used as a measure of performance, where the benchmark is considered to represent the market's movement as a whole.

Derivates are instruments whose value is linked to another investment, or to the performance of a stock exchange or to some other variable factor, such as interest rates.

Discount is where the share price of an investment company is lower than the net asset value per share.

Discrete Performance is the percentage performance of an investment over specific, defined time periods.

Emerging markets are countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body.

Gearing is all external borrowings of the Company and any subsidiaries.

Management Fee is the entitlement of the Investment Manager to an annual management fee. Please see the Explanation of Fee Arrangements available on the Company's website for further information, found at: https://www.polarcapitalglobalfinancialstrust.com/Key-Information/#/Overview

"NAV" or **"Net Asset Value"** has the value of all assets of the Company less liabilities to creditors (including provisions for such liabilities) determined in accordance with the Company's accounting policies, applicable accounting standards and the Company's constitution.

Ongoing Charges are the measure of what it costs to run the Company, including the Management Fee and other operating costs; these costs are not passed on to investors in the price they pay for the shares of the Company.

Premium is where the share price of an investment company is higher than the net asset value per share.

For a complete glossary of investment terms, please refer to the Trust's website: https://www.polarcapitalglobalfinancialstrust.com/Glossary/

Important Information

Not an offer to buy or sell This document is not an offer to buy or sell or a solicitation of an offer to buy or sell any security, and under no circumstances is it to be construed as a prospectus or an advertisement. This document does not constitute, and may not be used for the purposes of, an offer of the securities of, or any interests in, the Company by any person in any jurisdiction in which such offer or invitation is not authorised.

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Performance and Holdings All data is as at the document date unless indicated otherwise. Company holdings and performance are likely to have changed since the report date. Company information is provided by the Investment Manager.

Benchmark The Company is actively managed and uses the MSCI ACWI Financials Net TR Index as a performance target and to calculate the performance fee. The benchmark has been chosen as it is generally considered to be representative of the investment universe in which the Company invests. The performance of the Company is likely to differ from the performance of the benchmark as the holdings, weightings and asset allocation will be different. Investors should carefully consider these differences when making comparisons. Further information about the benchmark can be found www.msci.com.

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Further Information about the Company Investment in the Company is an investment in the shares of the Company and not in the underlying investments of the Company. Further information about the Company and any risks can be found in the Company's Key Information Document, the Annual Report and Financial Statements and the Investor Disclosure Document which are available on the Company's website, found at: https://www.polarcapitalglobalfinancialstrust.com