# Polar Capital Funds plc
## Global Technology Fund

31 July 2026

EUR Class I Dist Hdg | ISIN: IE00BZ4D7085

### NAV per Share

| | |
|---|---|
| EUR Class I Dist Hedged | €63.99 |

### Fund Details

| | |
|---|---|
| Fund Size | €16,468.2 m |
| Base Currency | USD |
| Denominations | USD/GBP/EUR |
| Fund Structure | UCITS |
| Domicile | Ireland |
| Launch Date | 19 October 2001 |
| Investment Manager | Polar Capital LLP |
| SFDR Classification[1] | Article 8 |

### Fund Managers

CITYWIRE AA

**Nick Evans**
Partner
Nick has worked on the fund since he joined Polar Capital in 2007 and has 28 years of industry experience.

CITYWIRE AA

**Ben Rogoff**
Partner
Ben has worked on the fund since he joined Polar Capital in 2003 and has 31 years of industry experience.

CITYWIRE AA

**Xuesong Zhao**
Partner
Xuesong has worked on the fund since he joined Polar Capital in 2012 and has 19 years of industry experience.

CITYWIRE AAA

**Fatima Iu**
Partner
Fatima has worked on the fund since she joined Polar Capital in 2006 and has 22 years of industry experience.

### Fund Ratings

Silver

FE fundinfo Crown Fund Rating

Ratings are not a recommendation. Please see below for further information.

## Fund Profile

### Investment Objective

The objective of the Fund is to achieve long term capital appreciation by way of investing in a globally diversified portfolio of technology companies.

### Key Facts

- Team of 12 sector specialists
- The team has 165+ years of combined industry experience
- Typically 60-85 positions
- No benchmark or tracking error constraints
- Fundamentally-driven analysis and stock selection

### Fund Awards

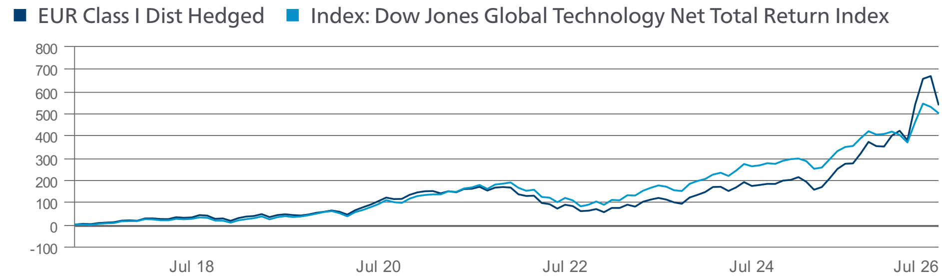
AJBell Awards2020 Technology/Biotech - Active

AJBell Awards2019 Technology/Biotech - Active

WINNER ONLINE PERSONAL WEALTH AWARDS 2019 BEST GROWTH FUND

## Share Class Performance

### Performance Since Launch (%)




| | 1m | 3m | YTD | 1yr | 3yrs | 5yrs | Since Launch Cum. | Since Launch Ann. |
|---|---|---|---|---|---|---|---|---|
| EUR Class I Dist Hdg | -16.73 | -0.06 | 41.82 | 71.33 | 191.26 | 145.27 | 539.90 | 22.33 |
| Index | -4.46 | 7.04 | 18.52 | 34.00 | 117.88 | 125.31 | 517.49 | 21.85 |

### Discrete Annual Performance (%)

| 12 months to | 31.07.26 | 31.07.25 | 31.07.24 | 31.07.23 | 29.07.22 |
|---|---|---|---|---|---|
| EUR Class I Dist Hdg | 71.33 | 36.51 | 24.53 | 16.24 | -27.56 |
| Index | 34.00 | 23.99 | 31.14 | 25.66 | -17.71 |

### Calendar Year Performance (%)

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| EUR Class I Dist Hdg | 49.90 | 29.02 | 50.13 | -41.64 | 8.87 | 55.60 | 34.82 | -0.34 | - | - |
| Index | 28.71 | 33.26 | 56.78 | -34.75 | 26.89 | 45.91 | 44.18 | -6.28 | - | - |

**Performance relates to past returns and is not a reliable indicator of future returns.**
Performance for the EUR Class I Dist Hedged. The class launched on 17 May 2017. Performance data is shown in EUR **with income (dividends) reinvested.** Source: Northern Trust International Fund Administration Services (Ireland) Ltd. Benchmark performance shown in USD. Source: Bloomberg. If this is not your local currency, exchange rate fluctuations may cause performance to increase or decrease when converted into your local currency. Performance data takes account of fees paid by the Fund but does not take account of any commissions or costs you may pay to third parties when subscribing for or redeeming shares or any taxes or securities account charges that you may pay on your investment in the Fund. Such charges will reduce the performance of your investment. A 5% subscription fee can be charged at the Investment Managers discretion.
1. Refers to the EU Sustainable Finance Disclosure Regulation

# Portfolio Exposure & Attribution

As at 31 July 2026

## Top 10 Positions (%)

| | |
|---|---|
| NVIDIA | 9.0 |
| Microsoft^ | 8.7 |
| Alphabet^ | 6.9 |
| TSMC | 5.8 |
| Advanced Micro Devices | 4.6 |
| Broadcom | 3.8 |
| Seagate Technology Holdings PL | 3.1 |
| Micron Technology | 3.1 |
| Apple^ | 2.9 |
| Samsung Electronics | 2.3 |
| **Total** | **50.1** |

**Total Number of Positions** **71**

**Active Share** **50.70%**

## Market Capitalisation Exposure (%)

| | |
|---|---|
| Mega Cap (>US$50 bn) | 82.4 |
| Large Cap (US$10 bn - 50 bn) | 15.5 |
| Mid Cap (US$1 bn - 10 bn) | 2.1 |
| Small Cap (<US$1 bn) | 0.0 |

## Options (%)^

| | Premium | Delta Adj. Exp. |
|---|---|---|
| Index Put | 0.59 | -8.99 |
| Single Stock Call | 0.84 | 10.96 |

^The Fund may hold call and/or put options for Efficient Portfolio Management. When applicable all exposures are calculated using delta adjusted weights.

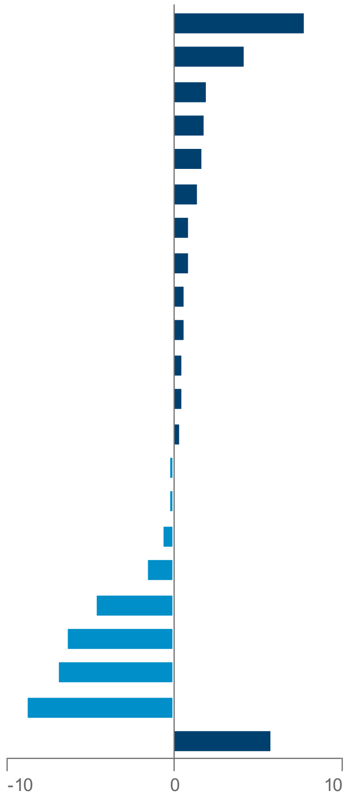
## Performance Attribution - 1 Month (%)

| Top Contributors | | Top Detractors | |
|---|---|---|---|
| Applied Materials | 0.37 | Microsoft | -1.31 |
| NDX INDEX | 0.17 | Apple | -1.29 |
| Amazon | 0.15 | Sandisk Corp/DE | -0.93 |
| Tokyo Electron | 0.12 | Corning | -0.83 |
| Kioxia Holdings Corp | 0.11 | KLA | -0.58 |

Performance attribution is calculated in USD on a relative basis over the month. Attribution effect is shown gross of fees.

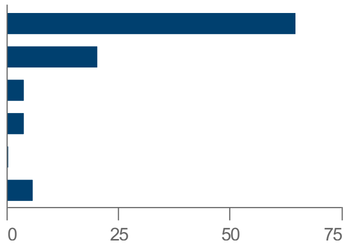
## Sector Exposure - Top Overweights & Underweights Relative to Index (%)

| | Fund | Relative |
|---|---|---|
| Electronic Components | 7.9 | 7.9 |
| Electronic Manufacturing Services | 4.3 | 4.2 |
| Internet Services & Infrastructure | 3.3 | 2.0 |
| Electrical Components & Equipment | 1.9 | 1.9 |
| Heavy Electrical Equipment | 1.8 | 1.8 |
| Broadline Retail | 1.4 | 1.4 |
| Alternative Carriers | 1.2 | 1.0 |
| Semiconductor Materials & Equipment | 7.6 | 0.9 |
| Healthcare Supplies | 0.7 | 0.7 |
| Electronic Equipment & Instruments | 0.7 | 0.6 |
| Index Option | 0.6 | 0.6 |
| Communications Equipment | 3.2 | 0.5 |
| Investment Banking & Brokerage | 0.4 | 0.4 |
| Movies & Entertainment | 0.0 | -0.2 |
| Cable & Satellite | 0.0 | -0.2 |
| Semiconductors | 35.3 | -0.7 |
| IT Consulting & Other Services | 0.0 | -1.6 |
| Application Software | 0.0 | -4.7 |
| Systems Software | 5.8 | -6.4 |
| Tech. Hardware, Storage & Periph. | 11.5 | -6.9 |
| Interactive Media & Services | 6.1 | -8.8 |
| Cash | 5.8 | 5.8 |




## Geographic Exposure (%)

| | |
|---|---|
| US & Canada | 64.9 |
| Asia Pac (ex-Japan) | 20.5 |
| Japan | 4.2 |
| Europe | 3.8 |
| Middle East & Africa | 0.7 |
| Cash | 5.8 |




The column headed "Fund" refers to the percentage of the Fund's assets invested in each sector. The column headed "Relative" refers to the extent to which the Fund is overweight or underweight in each sector compared (relative) to the index.

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.

## Fund Managers' Comments

### Market review

Global equity markets were volatile in July, although headline returns were subdued with the MSCI All Country World Net Total Return Index returning +0.1% and the S&P 500 down -0.1%. The DJ Euro Stoxx 600 Index returned +2.2%. Small caps underperformed large caps as the Russell 1000 Index (large cap) returned -0.4% and the Russell 2000 Index (small cap) -3.0% (all returns in dollar terms).

A sharp selloff in AI/semiconductor stocks dominated the narrative alongside renewed conflict in the Middle East. The NASDAQ 100 fell -6.6% and the Philadelphia Semiconductor Index (SOX) declined -20.6%, its worst month since 2008, while South Korea's memory-heavy KOSPI dropped -16.2% despite a late rebound.

Market breadth proved more resilient, with the equal-weighted S&P 500 reaching a new all-time high on 29 July as investors rotated into non-technology sectors. A late-month recovery in AI and AI-related stocks, helped in part by a positioning clear-out (including the forced unwind of positions in the now high profile, highly leveraged Situational Awareness hedge fund), was reinforced by a strong set of hyperscaler and technology earnings.

Commodities were led higher by crude oil, the best-performing major asset class during the month. Strength followed President Trump's declaration that June's Memorandum of Understanding with Iran was "over" and the resumption of strikes by both sides. The Brent crude price climbed from $71 per barrel at the start of July to just above $100 on 23 July, as markets priced renewed disruption to the Strait of Hormuz. Prices subsequently eased back below $90 as tensions showed tentative signs of stabilising, leaving Brent up +23.6% over the month and close to +50% higher year-to-date (YTD), although still some way below its spring peak. These reflationary pressures drove global bond yields higher even as the major central banks held policy rates steady.

The Federal Reserve (Fed) left the Federal Funds rate unchanged at 3.50-3.75% for a fifth consecutive meeting, though the decision drew three dissents in favour of a hike. A softer-than-expected June US core inflation print (flat month-on-month against expectations of +0.2%) helped contain the front end. Fed Chair Kevin Warsh again offered little clarity on the Committee's reaction function and the yield curve steepened, with the 30-year US Treasury yield reaching a post-2007 high of 5.27% and the 10-year rising 27 basis points to 4.74%. The Bank of Japan likewise kept policy unchanged while flagging a likely autumn hike. The yen ended the month as the best-performing G7 currency, rebounding after apparent US-coordinated intervention on 30 July that followed its weakest level against the dollar since 1986.

### Fund performance

After a very strong period of absolute (+72.4%) and relative performance (+48.3%) YTD to 30 June, versus its benchmark the Dow Jones Global Technology Net Total Return Index (W1TECN), the Fund (I USD Share Class) fell -16.6% during the month, underperforming its benchmark which fell -4.5% (all returns in US dollar terms).

Year to date to 31 July, the Fund has gained +43.8% compared with +18.5% for its benchmark and remains top decile versus its Lipper peer group this year and all other significant periods. Performance has benefited from a broad focus across AI enablers as well as our expansion into wider AI infrastructure, which has been the case largely since early 2024. To some extent a period of volatility was inevitable, as has been the norm in previous bull markets. It is worth remembering that in the three years between 1995-98 the NASDAQ gained +354% but experienced seven corrections of more than 15%.

The underperformance in July was driven by a sharp selloff in hardware, semiconductors and AI capex beneficiaries after an incredibly strong first half of the year. During July, the release of new cost-efficient open-weight Chinese models, the severe unwinding of leveraged retail positions (particularly in the South Korean market) and concerns about the sustainability and funding of hyperscaler capex saw the market rotate sharply out of AI winners into other sectors.

Within the technology sector, the hyperscalers and software – two subsectors that have experienced significant selling over the past two to three years – benefited from this rotation. That said, hyperscaler results were strong and capex numbers have once again moved higher, and AI capex beneficiaries continue to beat street estimates and see positive revisions. We have long believed that continued model progress drives AI adoption and ultimately the demand for the infrastructure required to run them.

We continue to believe that in this environment you need to be truly 'dynamically active' managers, something that is hard if not impossible to replicate in static, passive ETFs. The team attends not only investor conferences but also trade shows, facility tours and industry events to see firsthand how AI is driving markets. Running a dedicated AI fund for more than eight years gives us a unique edge in identifying the discontinuous technology change early.

### Technology review

The technology sector underperformed the broader market in July, with the Dow Jones Global Technology Net Total Return Index (W1TECN) returning -4.5% versus +0.1% for the MSCI All Country World Net Total Return Index.

The Philadelphia Semiconductor Index (SOX) bore the brunt of the momentum unwind and returned -20.6%, while the NASDAQ Internet Index (QNET) and iShares Expanded Tech-Software Sector ETF (IGV) returned +7.6% and +4.4%, respectively. Large-cap technology stocks outperformed small and mid-cap peers, with the Russell 1000 Technology Index and Russell 2000 Technology Index returning -3.1% and -12.3%, respectively.

The AI infrastructure supply chain experienced heightened volatility despite exceptionally strong underlying demand that is still exceeding supply plus the fact that AI-exposed companies have continued to post strong results, so far driving around a third of Q2 S&P 500 EPS growth. Indeed, S&P 500 Q2 EPS growth is tracking at +26% year-on-year (y/y) excluding mega-cap technology companies' equity-investment gains, with nearly two-thirds of S&P 500 companies beating EPS consensus by more than one standard deviation, one of the highest rates on record, according to Goldman Sachs.

In semiconductors, TSMC delivered a strong quarter, with revenue up +34% y/y and guidance ahead of expectations. High-performance computing (AI) remained the principal growth driver, supported by robust AI demand, while smartphone demand remained weak against a backdrop of elevated memory prices. Although gross margin guidance disappointed some investors, reflecting the 2nm ramp and overseas dilution, demand for leading-edge AI capacity continues to exceed supply. Management raised full-year revenue growth guidance to more than 40%, lifted 2026 capex guidance to $60–64bn from $56bn and announced a further $100bn investment in its Arizona cluster, underscoring confidence in sustained AI demand.

Intel also delivered a strong quarter, with revenue up +25% y/y – its strongest growth in 15 years – driven by server CPUs and its AI infrastructure-related ASIC business. Foundry execution continues to improve, with strong progress on 18A and 14A process technologies. Management raised 2026 capex guidance to more than $20bn from $15bn and indicated that 2027 spending would be significantly higher. Although the increased investment heightened investors' focus on potential equity financing, management's commentary reinforced confidence in its foundry strategy and longer-term growth outlook.

Corning, an optical fibre and specialty glass manufacturer, reported results modestly ahead of expectations, supported by strength in optical communications and solar. However, softer third-quarter revenue guidance raised some concerns about the near-term trajectory of AI-driven growth. Management reiterated confidence in the longer-term outlook, citing strong demand for scale-out optical connectivity and expanding opportunities across AI infrastructure, including scale-up architectures and co-packaged optics, which it believes can support a 19% sales CAGR through 2030. While the long-term investment case remains intact, investors remain focused on execution and the timing of AI-related revenue acceleration.

Memory stocks, including Sandisk and Kioxia Holdings*, also weakened in July despite supportive DRAM, NAND and high bandwidth memory (HBM) fundamentals. The selloff reflected profit-taking in AI beneficiaries as investors questioned the durability of AI capex growth. Sentiment was further pressured by rising concerns about Chinese memory competition, particularly CXMT's* expansion ambitions and broader domestic semiconductor investment, although even CXMT remains capacity constrained and is understood to be demanding significantly improved (Western) pricing levels.

KLA reported solid second-quarter results, with revenue and margins ahead of expectations, supported by strong demand for patterning and advanced packaging inspection. However, third-quarter revenue guidance was slightly below elevated investor expectations, weighing on the shares and other semiconductor equipment companies, including Applied Materials* and Tokyo Electron*. Management remained constructive, raising its wafer fabrication equipment market forecast and expressing confidence in continued growth in advanced packaging and process control through 2027.

In the internet subsector, Alphabet (u/w) delivered a solid quarter, with Search revenue growing +17% y/y and Cloud revenue growth accelerating to +82% y/y, ahead of expectations. Management raised 2026 capex guidance to $195-205bn, from $180-190bn, to support growing AI infrastructure demand, although this weighed on the outlook for margins and free cashflow. Investors were also disappointed by cautious commentary on frontier AI model development models (no timeline on Gemini 4), but sentiment has subsequently improved and the stock has recovered, benefiting the Fund (mostly via call option-related gains which offset the equity underweight).

Meta Platforms (Meta; u/w) delivered a mixed quarter, with revenue growing +28% y/y and advertising trends remaining healthy, supported by higher impressions and pricing. Investors focused on higher-than-expected operating expenses and an increase in the lower end of 2026 capex guidance to $130-145bn from $125-145bn. Management highlighted strong demand for AI compute and plans to maximise capacity through 2027 while retaining flexibility thereafter. News that Meta was considering offering AI compute as a service was initially (mis-)read as a sign that its own AI initiatives were stalling or that it had overbuilt capacity and might cut future capex. Those fears were subsequently assuaged by CEO Mark Zuckerberg, who said he does not know anyone in the industry who feels they have too much compute and that Meta is currently using all the computing power in its arsenal.

Amazon delivered one of its strongest quarters in a while, with revenue up +20% y/y, supported by robust growth across Amazon Web Services (AWS), retail and advertising. AWS revenue increased +37%, while margins came in well ahead of forecasts. Management raised 2026 capex guidance to $220bn from $200bn to support continued investment in AI infrastructure, reinforcing confidence in the company's long-term growth outlook. Amazon CEO, Andy Jassy delivered a strong message underscoring Amazon's confidence in the future returns on its AI capex which significantly helped to address broader concerns regarding returns on hyperscaler capex (important for investors with companies planning sustained capex growth into 2027 and beyond). We added to our position following results.

In software, Microsoft (u/w) delivered a strong quarter, with Azure revenue growth accelerating to +43% y/y, ahead of expectations, driven by robust AI demand and improving compute efficiency. Microsoft 365 Commercial growth was guided to accelerate, while Copilot adoption exceeded forecasts. Management indicated that underlying 2026 AI infrastructure investment remained broadly unchanged, although capex is expected to increase further in 2027 to support continued strong demand. Accelerating Azure and M365 growth and solid margin guidance reinforced confidence that Microsoft's AI investments will generate attractive returns and the +16% move in the share price post earnings represented the largest single-day increase in market cap ever (+$450bn). The Fund's call options helped reduce the impact of the sharp move higher.

Apple (u/w) outperformed through July as investors rotated into lower-capex AI beneficiaries, favouring its cash-generative business model over the heavy infrastructure spending pursued by other mega-cap technology companies. Shares gave back some of these gains after a mixed update, which also marked Tim Cook's final appearance as CEO before handing leadership to John Ternus. Revenue was broadly in line with expectations, as strong Mac and iPhone sales were offset by weaker Services growth and softer demand in Greater China. Management guided to slower revenue growth in the third quarter, citing increasing supply constraints at leading-edge semiconductor nodes. IBM* also fell heavily (-20%) following a negative preannouncement, blaming a late-June shift which saw "clients shift their quarterly capex spend toward Servers, Storage and Memory purchases to secure supply-constrained infrastructure ahead of expected price increases."

The top contributors to relative performance during the month were Applied Materials*, Amazon, Tokyo Electron*, Kioxia Holdings* and IBM*.

The largest detractors were Microsoft (u/w), Apple (u/w), Sandisk, Corning and KLA.

## Outlook

AI infrastructure exposed stocks continued to lead the market during the first half of the year, driving the strong rebound from late March as geopolitical concerns abated and the market began to recognise the recent inflection in AI capabilities. Model improvement – especially the step change in agentic coding – was the catalyst for the enterprise AI adoption cycle to begin. It has scaled at an unprecedented rate: Anthropic's revenue run rate has increased from $9bn at the start of 2026 to $30bn by early April, and reportedly >$70bn by the end of July. Strong demand for frontier-level intelligence requires an enormous new infrastructure build, and the recipients of AI capex – semiconductors (especially memory), networking, power, storage – have seen the benefit in earnings estimates moving up and carried tech momentum higher.

We believe the July sell-off was driven mostly by technical factors, rather than fundamentals. Profit-taking ahead of second-quarter earnings, risk-off sentiment into the seasonally quieter summer months, hedge funds cutting gross exposure and retail investor pain in leveraged products led to a sharp momentum unwind, with the year's winners sold and heavily shorted stocks, including software, rebounding sharply.

The momentum unwind also prompted an intensification of more fundamental existing concerns around open weight model competition, AI infrastructure funding capacity and AI return on investment (ROI). As to the pushbacks of the AI bull thesis which cannot be proved (or disproved) in the near-term, these concerns found a more receptive audience as stocks were falling, although none are necessarily new or materially different from earlier this year.

Frontier model competition remains the greatest near-term challenge, in our view. Investors faced echoes of the DeepSeek crisis as sentiment turned more cautious as new models appeared to narrow the gap with the frontier, often at significantly lower cost. These included 'closed weight' models such as Meta's Muse Spark 1.1 and SpaceX's Grok 4.5, as well as Chinese open-weight models from Zhipu (GLM 5.2), Kimi (K3), Alibaba (Qwen 3.8 Max) and DeepSeek (V4-Pro Flash). This raised questions about the durability of competitive advantages – and ability to fund infrastructure investment – at leading AI labs such as Anthropic. Elevated expectations and crowded positioning left AI-related stocks highly sensitive to any signs of weaker returns on investment, while investors continued to question how value will ultimately accrue across the AI stack.

In our view, while this has added to near-term buffeting, it likely remains supportive of the AI trade. The so-called 'AI race' is clearly alive and well – contrary to fears that some of the 'also-rans' could drop out of the race – and scaling laws, which hold that increases in model size, data and compute tend to produce predictable gains in capability, look firmly intact. If anything, the race for AI leadership appears to be intensifying.

Investors also became increasingly concerned about the credit market's willingness and ability to fund future hyperscaler capex. Goldman Sachs estimates that $489bn of AI-related credit supply so far this year (40% directly issued by the hyperscalers) versus $322bn for the whole of 2025. 2026 has seen 10 new issues of investment-grade debt greater than $20bn, versus just 11 deals greater than $20bn in the prior seven years. It is therefore unsurprising that as ROI and competitive debates intensified, long-dated hyperscale credit spreads widened by more than three standard deviations during the month, before tightening on strong hyperscale earnings results.

Circular financing fears also resurfaced towards the end of July after Bloomberg reported that NVIDIA was pursuing a fresh round of AI deals worth more than $750bn. These comprised a partnership with SK Group/SK Hynix which is expected to generate over $500bn of business between the two companies, alongside discussions to backstop as much as $250bn of OpenAI's leasing commitments at a large US data centre project. It is an unavoidable fact that a generational infrastructure build will require a generational level of funding and that the capital-intensive nature of AI model training and need to pre-build capacity ahead of (profitable) inference demand makes capital demand particularly pronounced when the technology, ecosystem and business models are still relatively nascent.

While the quantum of investment required is substantial (2026 AI investment at $1trn globally and just under $600bn in the US) and growing, these levels are consistent with those in prior general-purpose technology (GPT) buildouts, according to Goldman Sachs. Extrapolating our 2026 estimates based on analyst forecasts for public company capex suggests that AI capex will rise from 1.8% of GDP in the US (0.9% globally) in 2026 to 2.5% of GDP in the US (1.3% globally) in 2027, with a further increase to 2.8% (1.4% globally) in 2028.

Sentiment improved towards month-end after OpenAI reported a sharp acceleration in July, adding more annual recurring revenue than in the previous three months combined. Model competition also appears supportive of AI infrastructure fundamentals in the near-term: Silicon Data, a provider of GPU pricing information, indicated that "GPU rental price indices we track show no signs of softening demand for compute whatsoever. On-demand rental prices continue to either rise or hold firm across all major GPU types".

Q2 hyperscale results clearly benefited from firm pricing as record addition of incremental ARR dollars across all the major clouds and better than expected profitability provided tangible evidence of strong returns on invested capital. Aggregate cloud revenue growth accelerated to +48% y/y from +39% in Q1 and backlog growth remains >100% y/y to reach more than $2.4trn. Jassy gave incremental detail on Amazon's "clear line of sight to strong financial returns". Amazon expects to be supply constrained in 2026 and 2027, while demand for 2028 is "striking" to support what could "very possibly be $1trn annual revenue business for us in time". Given strong returns and improving AI capabilities, it is not surprising that overall estimates for hyperscaler capex in 2027 increased by another $125bn following Q2 results.

Despite our recognition that market volatility and competing narratives are endemic to new technology cycles, the speed and scale of the momentum unwind has been nonetheless striking. After a record first-half rally for high-beta momentum stocks, July delivered the worst monthly performance since 2008 and erased YTD gains, according to Goldman Sachs. Within technology, into the final few days of the month, many momentum baskets delivered their worst month-to-date returns ever (e.g. BoA TMT Momentum -51%), only to rebound strongly (+24% in a single day) following better hyperscaler results.

While not immediately obvious at the time, it later became clear the collapse and windup of former OpenAI researcher Leopold Aschenbrenner's high profile $20bn+ Situational Awareness hedge fund (4x levered and c$45bn at peak) clearly played a significant role in the momentum unwind which culminated in the biggest three-day reduction in risk and leverage since November 2022, according to prime brokerage data.

Near-term volatility could continue through August given this is traditionally a quieter period during which investors tend to take risk off and lock in gains. Despite this, our long-term conviction in the AI investment theme remains unchanged and we have used the weakness to add to preferred positions, taking the Fund back to a more fully invested position. Initially some of this was accomplished via the move higher in the Fund's Microsoft and Alphabet call options following strong results (in both cases we have subsequently rolled options to lock in some of the gains). More relevant, we also added to stocks we consider to be key AI enablers and beneficiaries, some of which had fallen 30-50% from their peak despite strong fundamentals and positive earnings revisions.

While debates will persist, we expect sentiment should recover as AI progress continues rapidly, supply constraints ease and positive revisions come through. We are mindful of the impact of powerful new models. OpenAI's Astra model (perhaps called GPT 6.0) has reportedly solved 10 major open problems in mathematics, quantum and theoretical computer science. Upcoming high-profile AI IPOs (including Anthropic, followed by Open AI at some stage), could also restore confidence in the AI trade, removing uncertainty associated with their ability to fund growing capex requirements.

AI progress and adoption are accelerating, and we believe the recent choppiness is best understood as a – perhaps unavoidable – period of 'digestion'. The AI industry has already scaled to a $175bn annual revenue run rate in little more than three years, but the next step will require supply to expand further to meet accelerating AI demand. New supply coming online often brings complexity and volatility to the trade, even as AI fundamentals improve. We would encourage investors to be prepared for further volatility but not lose sight of the extraordinary transformation of the economy going on around us and the opportunities we believe this offers equity investors.

* not held

Nick Evans & Ben Rogoff

10 August 2026

## Share Class Information

| Share Class | Bloomberg | ISIN | SEDOL | Minimum Investment | OCF† | Ann. Fee | Perf. Fee†† |
|---|---|---|---|---|---|---|---|
| USD R Dist | POLGTRU ID | IE00B433M743 | B433M74 | - | 1.56% | 1.50% | N/A |
| GBP R Dist | POLGTRS ID | IE00B42N8Z54 | B42N8Z5 | - | 1.56% | 1.50% | N/A |
| EUR R Dist | POLGTRE ID | IE00B4468526 | B446852 | - | 1.56% | 1.50% | N/A |
| USD I Dist | POLGTIU ID | IE00B42NVC37 | B42NVC3 | - | 1.06% | 1.00% | N/A |
| GBP I Dist | POLGTIS ID | IE00B42W4J83 | B42W4J8 | - | 1.06% | 1.00% | N/A |
| EUR I Dist | POLGTIE ID | IE00B42N9S52 | B42N9S5 | - | 1.06% | 1.00% | N/A |
| USD Dist* | POCFGTU ID | IE0030772275 | 3077227 | - | 1.56% | 1.50% | N/A |
| GBP Dist* | POCFGTS ID | IE0030772382 | 3077238 | - | 1.56% | 1.50% | N/A |
| EUR Dist* | POCFGTE ID | IE00B18TKG14 | B18TKG1 | - | 1.56% | 1.50% | N/A |
| EUR I Acc | POCGTIE ID | IE00BM95B514 | BM95B51 | - | 1.06% | 1.00% | N/A |
| EUR R Acc | POCGTRE ID | IE00BM95B621 | BM95B62 | - | 1.56% | 1.50% | N/A |

***These share classes are closed to new investors.**

**Currency Hedged[1]**

| Share Class | Bloomberg | ISIN | SEDOL | Minimum Investment | OCF† | Ann. Fee | Perf. Fee†† |
|---|---|---|---|---|---|---|---|
| EUR R Dist Hdg | POLRHEU ID | IE00BTN23623 | BTN2362 | - | 1.56% | 1.50% | N/A |
| EUR R Acc Hdg | POLGRHE ID | IE00BZ4D7648 | BZ4D764 | - | 1.56% | 1.50% | N/A |
| CHF R Dist Hdg | POLRHCH ID | IE00BTN23516 | BTN2351 | - | 1.56% | 1.50% | N/A |
| GBP I Dist Hdg | POLGIGH ID | IE00BW9HD621 | BW9HD62 | - | 1.06% | 1.00% | N/A |
| EUR I Dist Hdg | POLGIHE ID | IE00BZ4D7085 | BZ4D708 | - | 1.06% | 1.00% | N/A |
| CHF I Dist Hdg | POLRHRI ID | IE00BVB30C68 | BVB30C6 | - | 1.06% | 1.00% | N/A |

†**Ongoing Charges Figure (OCF)** is the latest available, as per the date of this factsheet. The Ongoing Charges Figure is based upon the expenses incurred by the Fund for the previous 12 month period. The OCF incorporates the Annual Fee charged by the Fund.

††**Performance Fee** Performance fees no longer applied from 2 January 2025.

1. Currency exposures hedged at the share class level to the extent it's practicable. Gives substantially similar currency exposures as a US$ investor investing in the unhedged base currency (US$) share class.

### Administrator Details

Northern Trust International Fund Administration Services (Ireland) Ltd

| | |
|---|---|
| Telephone | +(353) 1 434 5007 |
| Fax | +(353) 1 542 2889 |
| Dealing | Daily |
| Cut-off | 15:00 Irish time |

## Risks

- **Capital is at risk and there is no guarantee the Fund will achieve its objective. Investors should make sure their attitude towards risk is aligned with the risk profile of the Fund before investing.**
- **Past performance is not a reliable guide to future performance. The value of investments may go down as well as up and you might get back less than you originally invested as there is no guarantee in place.**
- The value of a fund's assets may be affected by uncertainties such as international political developments, market sentiment, economic conditions, changes in government policies, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Please see the Fund's Prospectus for details of all risks.
- The fund is exposed to Sustainability risks which are environmental, social and governance factors that could have an actual or potential material negative impact on the value of the Fund and its risk factors.
- The Fund invests in the shares of companies and share prices can rise or fall due to several factors affecting global stock markets.
- The Fund uses derivatives which carry the risk of reduced liquidity, substantial loss, and increased volatility in adverse market conditions, such as failure amongst market participants.
- The Fund invests in assets denominated in currencies other than the Fund's base currency. Changes in exchange rates may have a negative impact on the Fund's investments. If the share class currency is different from the currency of the country in which you reside, exchange rate fluctuations may affect your returns when converted into your local currency. Hedged share classes may have associated costs which may impact the performance of your investment.
- The Fund invests in emerging markets where there is a greater risk of volatility due to political and economic uncertainties, restrictions on foreign investment, currency repatriation and currency fluctuations. Developing markets are typically less liquid which may result in large price movements to the Fund.
- The Fund invests in a relatively concentrated number of companies and industries based in one sector. This focused strategy can produce high gains but can also lead to significant losses. The Fund may be less diversified than other investment funds.

## Important Information

This is a marketing communication and does not constitute a solicitation or offer to any person to buy or sell any related securities or financial instruments. Any opinions expressed may change. This document does not contain information material to the investment objectives or financial needs of the recipient. This document is not advice on legal, taxation or investment matters. Tax treatment depends on personal circumstances. Investors must rely on their own examination of the fund or seek advice. Investment may be restricted in other countries and as such, any individual who receives this document must make themselves aware of their respective jurisdiction and observe any restrictions.

A decision may be taken at any time to terminate the marketing of the Fund in any EEA Member State in which it is currently marketed. Shareholders in the affected EEA Member State will be given notification of any decision and provided the opportunity to redeem their interests in the Fund, free of any charges or deductions, for at least 30 working days from the date of the notification.

Investment in the Fund is an investment in the shares of the Fund and not in the underlying investments of the Fund. Further information about fund characteristics and any associated risks can be found in the Fund's Key Information Document or Key Investor Information Document ("KID" or "KIID"), the Prospectus (and relevant Fund Supplement), the Articles of Association and the Annual and Semi-Annual Reports. Please refer to these documents before making any final investment decisions. These documents are available free of charge at Polar Capital Funds plc, Georges Court, 54-62 Townsend Street, Dublin 2, Ireland, via email by contacting Investor-Relations@polarcapitalfunds.com or at www.polarcapital.co.uk. The KID is available in the languages of all EEA member states in which the Fund is registered for sale; the Prospectus, Annual and Semi-Annual Reports and KIID are available in English.

The Fund promotes, among other characteristics, environmental or social characteristics and is classified as an Article 8 fund under the EU's

## Important Information (contd.)

Sustainable Finance Disclosure Regulation (SFDR). For more information, please see the Prospectus and relevant Fund Supplement.

ESG and sustainability characteristics are further detailed on the investment manager's website: https://www.polarcapital.co.uk/ESG-and-Sustainability/Responsible-Investing/.

A summary of investor rights associated with investment in the Fund can be found here. This document is provided and approved by both Polar Capital LLP and Polar Capital (Europe) SAS.

Polar Capital LLP is authorised and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom, and the Securities and Exchange Commission ("SEC") in the United States. Polar Capital LLP's registered address is 16 Palace Street, London, SW1E 5JD, United Kingdom.

Polar Capital (Europe) SAS is authorised and regulated by the Autorité des marchés financiers (AMF) in France. Polar Capital (Europe) SAS's registered address is 18 Rue de Londres, Paris 75009, France.

Polar Capital LLP is a registered Investment Advisor with the SEC. Polar Capital LLP is the investment manager and promoter of Polar Capital Funds plc – an open-ended investment company with variable capital and with segregated liability between its sub-funds – incorporated in Ireland, authorised by the Central Bank of Ireland and recognised by the FCA. FundRock Management Company (Ireland) Limited acts as management company and is regulated by the Central Bank of Ireland. Registered Address: Percy Exchange, 8/34 Percy Place, Dublin 4, Ireland.

**For UK Investors**: The Fund is recognised in the UK under the Overseas Funds Regime (OFR) but it is not a UK-authorised Fund. UK investors should be aware that they may not be able to refer a complaint against its Management Company or its Depositary to the UK's Financial Ombudsman Service. Any claims for losses relating to the Management Company or the Depositary will not be covered by the Financial Services Compensation Scheme, in the event that either entity should become unable to meet its liabilities to investors. For information on the complaint process to the Management Company, please see the Country Supplement for this fund available at https://www.polarcapital.co.uk/

**Benchmark** The Fund is actively managed and uses the Dow Jones Global Technology Net Total Return Index as a performance target. The benchmark has been chosen as it is generally considered to be representative of the investment universe in which the Fund invests. The performance of the Fund 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 here. The benchmark is provided by an administrator on the European Securities and Markets Authority (ESMA) register of benchmarks which includes details of all authorised, registered, recognised and endorsed EU and third country benchmark administrators together with their national competent authorities.

**Third-party Data** Some information contained herein has been obtained from third party sources and has not been independently verified by Polar Capital. Neither Polar Capital nor any other party involved in or related to compiling, computing or creating the data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any data contained herein.

**Country Specific Disclaimers** Please be aware that not every share class of every fund is available in all jurisdictions. When considering an investment into the Fund, you should make yourself aware of the relevant financial, legal and tax implications. Neither Polar Capital LLP nor Polar Capital Funds plc shall be liable for, and accept no liability for, the use or misuse of this document.

**The Netherlands** This factsheet is for professional client use only in the Netherlands and it is intended that the Fund will only be marketed to professional clients in the Netherlands. Polar Capital Funds plc is authorized to offer shares in the Polar Capital Funds plc - Global Technology Fund to investors in the Netherlands on a cross border basis and is registered as such in the register kept by the Dutch Authority for the Financial Markets ("AFM") www.afm.nl.

**Spain** The Fund is registered in Spain with the Comisión Nacional del Mercado de Valores ("CNMV") under registration number 1180.

**Switzerland** The principal Fund documents (the Prospectus, Fund Supplement, KIDs, Memorandum and Articles of Association, Annual Report and Semi-Annual Report) of the Fund may be obtained free of charge from the Swiss Representative. The Fund is domiciled in Ireland. The Swiss representative is FundRock Switzerland SA, Route de Cité-Ouest 2, 1196 Gland, Switzerland. The paying agent in Switzerland is Banque Cantonale de Genève, 17 quai de l'Ile, 1204 Geneva, Switzerland.

**Austria / Belgium / Denmark (professional only) / Finland / France / Germany / Gibraltar / Guernsey / Ireland / Italy (professional only) / Jersey / Liechtenstein / Luxembourg / Netherlands / Norway / Portugal / Spain / Sweden / Switzerland and the United Kingdom** The Fund is registered for sale to all investors in these countries.

**Morningstar Medalist Rating** The Morningstar Medalist Rating™ is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned. Pillar ratings take the form of Low, Below Average, Average, Above Average, and High. Pillars may be evaluated via an analyst's qualitative assessment (either directly to a vehicle the analyst covers or indirect-ly when the pillar ratings of a covered vehicle are mapped to a related uncovered vehicle) or using algorithmic techniques. Vehicles are sorted by their expected performance into rating groups defined by their Morningstar Category and their active or passive status. When analysts directly cover a vehicle, they assign the three pillar ratings based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. When the vehicles are covered either indirectly by analysts or by algorithm, the ratings are assigned monthly. For more detailed information about these ratings, including their methodology, please go to global.morningstar.com/managerdisclosures/.

The Morningstar Medalist Ratings are not statements of fact, nor are they credit or risk ratings. The Morningstar Medalist Rating (i) should not be used as the sole basis in evaluating an investment product, (ii) involves unknown risks and uncertainties which may cause expectations not to occur or to differ significantly from what was expected, (iii) are not guaranteed to be based on complete or accurate assumptions or models when determined algorithmically, (iv) involve the risk that the return target will not be met due to such things as unforeseen changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rates, exchange rate changes, and/or changes in political and social conditions, and (v) should not be considered an offer or solicitation to buy or sell the investment product. A change in the fundamental factors underlying the Morningstar Medalist Rating can mean that the rating is subsequently no longer accurate.