



USD Class I Acc | ISIN: IE00BG43Q423

NAV per Share

USD Class I Acc US\$12.01

Fund Details

Fund Size	US\$15.2 m
Base Currency	USD
Denominations	USD/GBP/EUR
Fund Structure	UCITS
Domicile	Ireland
Listing	Euronext Dublin
Launch Date	31 August 2018
Investment Manager	Polar Capital LLP

Fund Managers

Jerry Wu
Fund Manager

Jerry has managed the fund since launch. He joined Polar Capital in 2018 and has 11 years of industry experience.


Jorry Nøddekær
Fund Manager

Jorry has managed the fund since launch. He joined Polar Capital in 2018 and has 22 years of industry experience.


Andy Chen
Head of China Research

Andy joined Polar Capital in 2018. He has been Head of Research for the Fund since launch and has 13 years of industry experience.

Fund Ratings

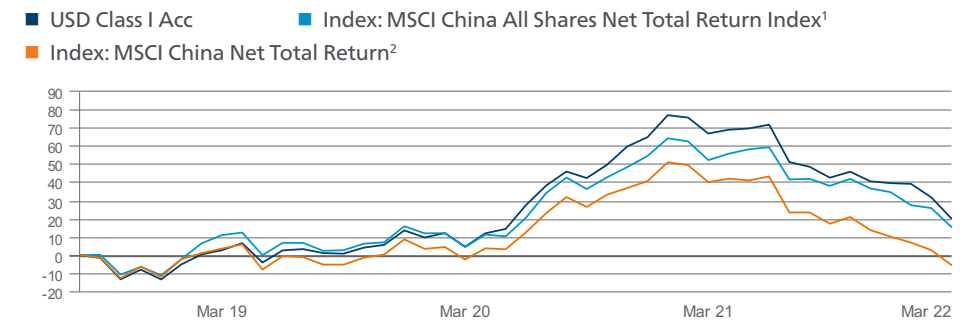

Ratings are not a recommendation.

Fund Profile
Investment Objective

The Fund's investment objective is to achieve long term capital growth. The Fund seeks to achieve its objective by investing in a broad range of shares from companies in The Peoples' Republic of China, Hong Kong and Taiwan (known as 'Greater China'), or from companies which generate a significant amount of their business from Greater China.


Key Facts

- Team of three sector specialists
- The team has 65+ years of combined industry experience
- Fundamentally-driven analysis and stock selection
- Typically 40-60 positions

Share Class Performance
Performance Since Launch (%)


	1m	3m	YTD	1yr	3yrs	5yrs	Since Launch	
							Cum.	Ann.
USD Class I Acc	-8.88	-13.97	-13.97	-28.04	16.94	-	20.10	5.24
Index	-8.31	-14.26	-14.26	-24.20	3.96	-	15.42	4.08
MSCI China Net Total Return	-8.00	-14.19	-14.19	-32.54	-8.76	-	-5.48	-1.56

Discrete Annual Performance (%)

12 months to	31.03.22	31.03.21	31.03.20	29.03.19	29.03.18
USD Class I Acc	-28.04	59.56	1.85	-	-
Index	-24.20	45.82	-5.95	-	-
MSCI China Net Total Return	-32.54	43.61	-5.82	-	-

Performance relates to past returns and is not a reliable indicator of future returns.

Performance for the USD Class I Acc. The class launched on 31 August 2018. Performance data is shown in USD. 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 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.

1. The benchmark changed on 31 October 2019 to MSCI China All Shares Net Total Return Index. Prior to 31 October 2019 the Fund's benchmark was MSCI All China Net Total Return Index. The benchmark shown is a composite of these two indices.

2. The MSCI China Net Total Return Index is used for illustrative purposes only.

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Source & Copyright: CITYWIRE. Jerry Wu & Jorry Nøddekær have been awarded an AA rating by Citywire for their 3 year risk-adjusted performance for the period 28/02/2019 - 28/02/2022.

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Portfolio Exposure

As at 31 March 2022

Top 10 Positions (%)

Tencent	9.2
Alibaba Group Holding	7.5
China Construction Bank	5.2
JD.com	3.9
ManpowerGroup Greater China	3.2
NetEase	3.0
Meituan Dianping	2.8
Midea Group	2.8
51job	2.8
China State Construction Devel	2.5
Total	42.9

Total Number of Positions 54

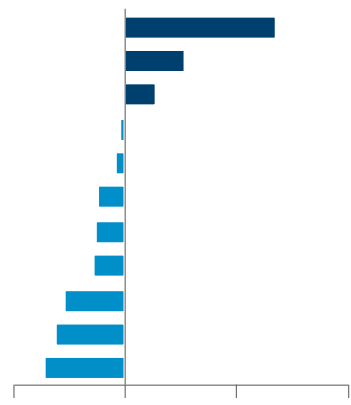
Active Share 71.31%

Market Capitalisation Exposure (%)

Large Cap (>US\$10 bn)	63.6
Mid Cap (US\$1 bn - 10 bn)	15.1
Small Cap (<US\$1 bn)	15.1
Cash	6.2

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

	Fund	Relative
Consumer Discretionary	32.6	13.6
Industrials	15.2	5.4
Communication Services	13.5	2.8
Real Estate	3.0	-0.4
Information Technology	8.7	-0.9
Energy	0.0	-2.5
Healthcare	5.2	-2.6
Utilities	0.0	-2.8
Materials	2.0	-5.4
Consumer Staples	3.1	-6.3
Financials	10.4	-7.2



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.

Share Class Information

Share Class	Bloomberg	ISIN	SEDOL	Minimum Investment	OCF [†]	Ann. Fee	Perf. Fee ^{**}
USD I Acc	PCHSTIU ID	IE00BG43Q423	BG43Q42	-	0.85%	0.75%	10%
GBP I Acc	PCCSTIG ID	IE00BG43Q647	BG43Q64	-	0.85%	0.75%	10%
EUR I Acc	PCCSTIE ID	IE00BG43Q530	BG43Q53	-	0.85%	0.75%	10%
EUR R Acc	PCCSTRE ID	IE00BG43Q209	BG43Q20	-	1.35%	1.25%	10%
GBP R Acc	PCCSTRG ID	IE00BG43Q316	BG43Q31	-	1.35%	1.25%	10%
USD R Acc	PCCSTRU ID	IE00BG43Q191	BG43Q19	-	1.35%	1.25%	10%
EUR S Acc	PCCSTSE ID	IE00BG43Q860	BG43Q86	USD 5m	0.48%	0.38%	10%
GBP S Acc	PCCSTSG ID	IE00BG43Q977	BG43Q97	USD 5m	0.48%	0.38%	10%
USD S Acc	PCCSTSU ID	IE00BG43Q753	BG43Q75	USD 5m	0.48%	0.38%	10%

[†]Ongoing Charges Figure (OCF) is the latest available, as per the date of this factsheet.

^{**}Performance Fee 10% of outperformance of MSCI China All Shares Net Total Return USD Index.

Fund Managers' Comments

'What you need to know first and most important of all is that poker is storytelling. It's a narrative puzzle. Your job is to put together the pieces.'

-- Phil Galfond

Quarterly market review

During the first quarter of 2022, the MSCI China All Shares Net Total Return Index declined by 14.3% (in dollar terms) and the Fund dropped 14.0% (I US\$ Acc Share Class). After a promising start in 2022 in anticipation of pro-growth policies, Chinese equities had a very poor March because of Omicron outbreaks and lockdowns in Shenzhen and Shanghai and geopolitical concerns as Russia invaded Ukraine.

Policy put is in place

Business cycles in China are all about policy cycles. After a year of tightening, at the beginning of 2022, we are constructive on China because we noticed a strong and clear pro-growth shift in the Politburo meeting in December 2021. 2021 looked very similar to 2011 and 2018, with aggressive tightening followed by a clear shift towards pro-growth policy in the following years, which drove material rerating and business expansion.

However, Ukraine and Omicron changed both the external and internal environment for the worse, which requires policymakers to significantly up the ante in response. That is exactly what happened on 16 March, an unequivocally positive message for its economy and financial markets from Vice Premier Liu He, Xi's right-hand man on economic matters – he carries more weight than even the Premier because he has the ear of Xi. **In other words, the 'policy put' is finally in place in China.**

Liu told government officials four things and the message is loud and clear:

- Government officials should be active in rolling out policies which are positive to the market and be cautious in rolling out policies which are contractionary.
- They should respond quickly to major market concerns.
- If they want to roll out policies that could have a substantial impact on the market, they should coordinate in advance with financial regulators.
- One would be held accountable for not following these instructions.

The same messages were reiterated by Premier Li on 29 March. We stay constructive on China equity.

Portfolio performance review

The top contributors to the Fund's relative performance during the quarter were China State Construction Development Holdings, 51JOB and China Construction Bank; some of the biggest detractors were Prosus, KE Holdings and Bilibili.

China State Construction Development Holdings, an exterior engineering solution provider, advanced by 32%, as it continues to deliver stellar growth from its successful restructuring. It is currently a midsize holding.

51JOB, a leader in online recruitment and HR services, surged by 20% as the privatisation proposal is finally ready for an EGM vote at the end of April. 51job has been a core investment in the portfolio since the Fund's inception. We are disappointed we cannot be part

of 51job's next stage but wish CEO Rick Yan and the company all the best.

China Construction Bank, China's largest bank with the best deposit franchise and lowest cost of funding, showed its resilience during the time of turbulence and risk-off.

Prosus, an internet conglomerate with Tencent at its core, declined by 35% as growth technology declined sharply across the globe this quarter. While we viewed Prosus as a cheap proxy to express our bullish Tencent view, instead the NAV discount widened as macro uncertainty increased. Prosus is a midsize position.

KE Holding, the country's operator of the largest online marketplace for housing transactions and offline brokerage network, dropped by 38% thanks to continued weakness in housing transaction volume and ADR delisting headlines. It is a midsize position.

Bilibili, a video-based online community popular with China's Generation Z, declined by 45% as its pre-profit nature made Bilibili vulnerable in the current market environment. It is a small position.

Portfolio activities

During Q1, we initiated a few notable new positions:

Anhui Conch Cement, the most energy efficient and lowest cost cement producer, is likely to be a key beneficiary of higher infrastructure spending as part of China's easing policy.

China Lodging Group is the country's best run hotel operator with a strong portfolio of brands in the premium segment.

We have also exited two remaining small positions in **Agora** and **iQiyi** as we found better use for the capital.

Positioning and outlook

As said earlier, business cycles in China are all about policy cycles, and we have seen a clear policy signal that more easing and supportive policies are on the way. Combine that with the very compelling valuation levels that many of the high-quality growth companies in our portfolio are trading at, we cannot help but be constructive on China equity. Omicron brought short-term volatility, but experiences in the UK and Europe suggest that shall pass soon. We look forward to the rest of 2022 with preparedness and confidence.

Jerry Wu and Jorry Nøddekær

6 April 2022

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.
- 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.
- 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 may enter into a derivative contract. The Fund's use of derivatives carries the risk of reduced liquidity, substantial loss and increased volatility in adverse market conditions, such as failure amongst market participants.
- The use of derivatives will result in the Fund being leveraged (where market exposure and the potential for loss exceeds the amount the Fund has invested) and in these market conditions the effect of leverage will magnify losses. The Fund makes extensive use of derivatives.
- If the currency of the share class is different from the local currency in the country in which you reside, the figures shown in this document may increase or decrease if converted into your local currency.

Important Information

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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.

Further information and any associated risks can be found in the Fund's Key Investor Information Document ("KIID"), the Prospectus, the Articles of Association and the annual and semi-annual reports. These documents are available free of charge at Polar Capital Funds PLC, Georges Court, 54-62 Townsend Street, Dublin 2, via email by contacting Investor-Relations@polarcapitalfunds.com or at www.polarcapital.co.uk. The KIID is available in Danish, Dutch, English, French, German, Italian, Spanish and Swedish; the Prospectus is available in English.

A summary of investor rights associated with investment in the Fund is available online at the above website, or by contacting the above email address.

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Benchmark The Fund is actively managed and uses the MSCI China All Shares Net Total Return 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 Fund invests. The MSCI China Net Total Return Index is referenced for illustrative purposes only. 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 www.msci.com. 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.

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

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Spain The Fund is registered in Spain with the Comisión Nacional del Mercado de Valores ("CNMV") under registration number 771.

Switzerland The principal fund documents (the prospectus, KIIDs, 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 and paying agent is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, CH-8002 Zurich, Switzerland.

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