POLAR CAPITAL

25 YEARS Est. 2001

Polar Capital Holdings plc

Annual Report 2026

Contents

At a Glance

Polar Capital Holdings plc is a specialist, investment led, active investment management company with a collegiate and meritocratic culture where the capacity of investment strategies is managed to enhance and protect performance.

Who we are

Since its foundation in 2001, the Polar Capital Group has grown to support 13 investment teams managing 23 funds, 3 investment trusts and a number of segregated mandates across a range of long-only and alternative products, with combined assets under management (AuM) at 31 March 2026 of £30.6bn.

Polar Capital Holdings plc ordinary shares are traded on the Alternative Investment Market under the ticker 'POLR.LN'.

Our Philosophy

- Primacy of investment performance
- Diversified yet complementary set of funds with a focus on fundamental research driven strategies
- Broad equity participation amongst staff
- Institutional robustness across operations, compliance, risk and relationship management
- A flexible, entrepreneurial and transparent culture
- An environment in which talent can flourish and be appropriately rewarded

Combined AuM
£30.6bn

Our Office Locations

- UK
- USA
- China
- France
- Spain
- Germany
- Sweden
- Switzerland
- Singapore

Highlights

The financial year ended 31 March 2026 was one of significant progress for Polar Capital, with record year-end AuM of £30.6bn, positive net inflows of £902m and strong investment performance across our core strategies, despite a turbulent market backdrop. Momentum has continued into FY27, with AuM reaching £44.7bn as at 19 June 2026. These results demonstrate the strength of our specialist model and the value of differentiated active management. Our strategy is clear: to scale through differentiation and focus, and to deliver long-term value for our clients and shareholders.

Iain Evans, CEO

Financial

Average Assets under Management (AuM)

+14%

2026	£26.0bn
2025	£22.9bn

Assets under Management

+43%

2026	£30.6bn
2025	£21.4bn

Core Operating Profit†

+11%

2026	£62.8m
2025	£56.7m

Pre-tax Profit

+49%

2026	£76.9m
2025	£51.6m

Basic earnings per share

+66%

2026	60.6p
2025	36.6p

Adjusted Diluted total earnings per share†

+10%

2026	57.8p
2025	52.6p[1]

Dividend per share

Dividend maintained

2026	46.0p
2025	46.0p

Share buyback

First buyback programme of £15.0m initiated

2026	£15.0m

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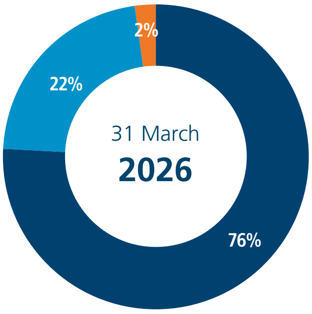
† The non-GAAP alternative performance measures shown here are described on page 32.

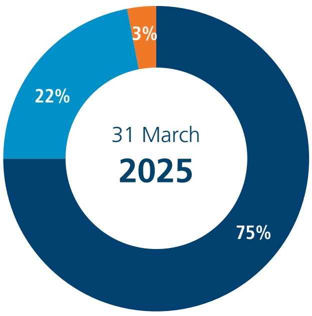
[1] Comparative figures have been restated to correct the adjusted profit before tax figure used in the calculation for Adjusted diluted earnings per share. See Note 2 of the Financial Statements for further information.

Assets under Management Analysis

AuM split by type



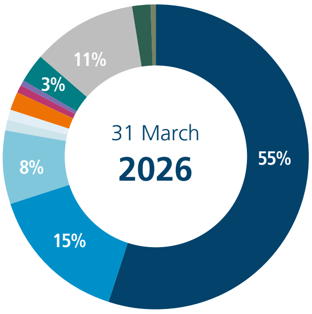
	£bn	%
Open ended funds	23.4	76%
Investment trusts	6.6	22%
Segregated mandates	0.6	2%
Total	30.6	100%



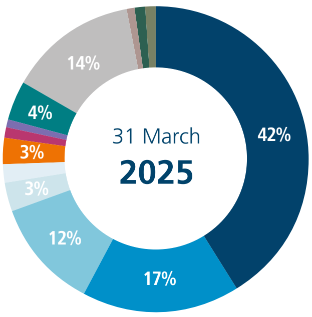
	£bn	%
Open ended funds	16.0	75%
Investment trusts	4.8	22%
Segregated mandates	0.6	3%
Total	21.4	100%

AuM split by strategy

Ordered according to launch date

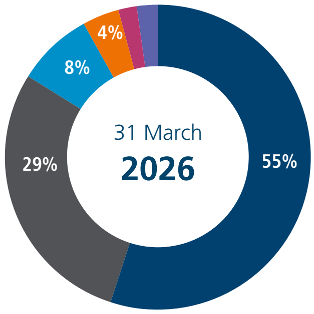


	£bn	%
Technology	16.8	55%
Healthcare	4.7	15%
Global Insurance	2.4	8%
Financials	0.4	1%
Convertibles	0.4	1%
North America	0.5	2%
Japan Value	0.3	1%
European Income	0.1	0.5%
UK Value	0.9	3%
Emerging Markets and Asia	3.5	11%
European Opportunities[1]	–	–
Sustainable Thematic Equities	0.5	2%
European Small Cap[2]	–	–
Global Small Company	0.1	0.5%
Total	30.6	100%

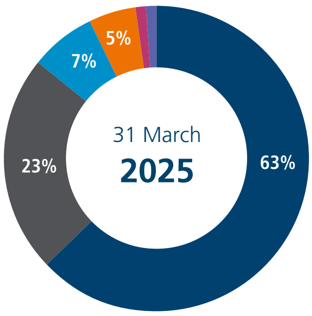


	£bn	%
Technology	9.0	42%
Healthcare	3.5	16.5%
Global Insurance	2.6	12%
Financials	0.7	3%
Convertibles	0.3	1.5%
North America	0.5	2.5%
Japan Value	0.2	1%
European Income	0.2	1%
UK Value	0.9	4%
Emerging Markets and Asia	3.0	14%
European Opportunities[1]	0.2	1%
Sustainable Thematic Equities	0.2	1%
European Small Cap[2]	–	–
Global Small Company	0.1	0.5%
Total	21.4	100%

AuM split by geography of investors



	%
UK	55%
Europe	29%
Asia	8%
Nordics	4%
North America	2%
Other	2%
Total	100%



	%
UK	63%
Europe	23%
Asia	7%
Nordics	5%
North America	1%
Other	1%
Total	100%

[1] Polar Capital Melchior European Opportunities Fund managed under this strategy was closed in December 2025.

[2] The AuM of the Polar Capital European Small Cap Fund managed under this strategy was £9.5m as at 31 March 2026 (2025: £8.0m).

Chair's Statement

David Lamb
Chair

Introduction

I want to begin my statement this year by thanking Gavin Rochussen who stepped down as Chief Executive at the AGM in September 2025 to be succeeded by Iain Evans. The Board is grateful to Gavin for his leadership and the strong foundation he leaves. The leadership transition went smoothly, enabling Iain and his executive, working with the Board, to focus on the business, and the development of our strategy for the years ahead. This is covered in more detail below, and in Iain's Chief Executive report.

Iain has been with Polar Capital for over 20 years, most recently serving as Global Head of Distribution. He brings deep industry experience and a strong understanding of the Group's culture, strategy and client relationships. Under Iain's leadership, I am confident that Polar Capital can continue to prosper and grow.

In my introduction to the 2024 statement, I began with the following sentence, "While the financial year saw the continuation of significant geopolitical and global economic narratives from the previous year, it proved eventful in its own right." Two years on and you would be forgiven for having a sense of Déjà vu.

Polar Capital's financial year was once again marked by considerable global and market volatility. It started with a US-led trade war and ended with co-ordinated US and Israeli strikes on Iran. Meanwhile the conflict in Ukraine continued without resolution. Geopolitics aside, investor attention focused on AI, with billions of dollars invested in AI infrastructure and AI models showing rapid and continuing improvement. In the year ahead, we expect Polar Capital, in common with most companies, to expand its use of AI in a controlled and governed way as the industry looks to capitalise on the opportunities and advantages of the technology.

There is no doubt that the geopolitical backdrop has become more uncertain, contributing to heightened market sensitivity, particularly in energy markets. Despite this, we remain confident in our positioning as a specialist boutique. As markets broaden and the pace of technological disruption, including AI, accelerates, the case for specialist active management is becoming increasingly compelling. Our focus on differentiated capabilities, deep expertise and disciplined execution positions us well to navigate the uncertainty and capture opportunities ahead for our clients and shareholders.

Results

AuM increased by 43% to £30.6bn, from £21.4bn at the end of March 2025, reflecting a combination of net inflows, fund performance and market movements. Average AuM increased by 14% to £26.0bn.

Higher average AuM, together with a carefully managed cost base, contributed to an 11% increase in core operating profit† to £62.8m (2025: £56.7m).

Net performance fee profits†, after staff allocations, increased to £16.1m (2025: £7.9m). Combined with the absence of the goodwill and intangible asset impairment charges recorded in the prior year, profit before tax rose by 49% to £76.9m (2025: £51.6m).

This progress reflects the strength of our specialist franchises, improving investment performance across key strategies and continued focus on disciplined execution.

Dividend

The Board remains committed to a disciplined and sustainable capital allocation approach. We recognise the importance that shareholders place on a predictable dividend stream and, in making our recommendation, we have taken into account the Group's earnings resilience, cash generation and the strength of the balance sheet, alongside the investment required to support our strategy. The Board has recommended a final dividend of 32.0p per share, bringing the full-year dividend to 46.0p. We will continue to balance investment in the business with returning excess capital to shareholders, including through the ongoing £15.0m share buyback programme announced in January 2026.

Effective 1 April 2026, the Board announces a revised shareholder return policy whereby, in normal circumstances, the Group expects to return at least 50% of adjusted core profits to shareholders through an ordinary dividend paid on a half-yearly basis. The first interim dividend, paid in January each year, will, in normal circumstances, be 50% of the first half's

† The non-GAAP and alternative performance measures shown here are described on page 32 and reconciled on page 33.

core profits. The Group aims to grow returns to shareholders over time through a combination of dividends and share repurchases. After taking account of future growth plans and investment requirements, excess performance fee profits and surplus capital will be returned to shareholders over time through special dividends or share repurchases, as determined by the Board, depending on prevailing market conditions.

Strategy

Following the CEO transition in September 2025, the Board and Executive team refined and formalised a clear three-year strategic plan. The strategy is anchored in a simple objective: to be the specialist active manager of choice, recognised for distinctive high-conviction strategies, superior client outcomes and a culture that empowers independent thinking and high performance.

The core of the plan is to scale through differentiation and focus, concentrating resources behind areas where Polar Capital has a clear edge and demonstrable client demand, while remaining disciplined in how we allocate time, investment and capital. Delivery is organised around four pillars: investment and product; distribution; people, culture and ways of working; and financial discipline. The Board will monitor progress through an outcomes-based scorecard and regular reporting, ensuring accountability and pace of execution.

Culture

The Board regards culture and talent as fundamental to the durability of Polar Capital's boutique model. Our entrepreneurial, meritocratic and collegiate culture, underpinned by accountability, has been central to attracting and retaining high-quality investment teams and to delivering for clients through multiple market cycles.

As the business scales, the Board is focused on ensuring that this culture is protected and strengthened, alongside continued investment in leadership development, succession planning and disciplined ways of working. These priorities support long-term continuity across key franchises and reinforce the standards expected of the firm as a listed company and fiduciary.

Board

As already mentioned, there was one significant change to the Board during the year, with Iain Evans taking over as CEO at the AGM in September 2025 from Gavin Rochussen, on his retirement.

I also want to announce one further change to the Board. Having been appointed to the Board in June 2017, Win Robbins is to step down as a Non-Executive Director and Chair of the Remuneration Committee at the AGM in September 2026. Win has given excellent service during her tenure, with her broad experience and deep knowledge of investment markets a real added value to Polar Capital.

A new Non-Executive Director will be named shortly and Andrew Ross will take over as Chair of the Remuneration Committee after the AGM.

Annual General Meeting

We are planning to hold the Company's forthcoming Annual General Meeting at 2.00pm on Thursday 24 September 2026 at the Company's registered office. Shareholders are encouraged to submit any questions to our Company Secretary before the meeting (by using investorrelations@polarcapital.co.uk, using the subject title 'PCH AGM') who will arrange for a response to be provided to the questions. There will not be a presentation at the meeting, but a video of the CEO and CFO presenting the results will be available on the Company's website ahead of the meeting. The notice of the meeting is also available on the Company's website.

Thank you

Polar Capital continues to develop as a strong and successful business, and I am proud to serve as its Chair. The success seen by the business over the last year reflects the dedication of our people, as well as the continued support of our clients, suppliers and partners.

I would like to extend my thanks to everyone involved, and especially to our staff and investment teams, for their hard work and resilience during what has been a challenging year for the industry overall. Both the Board and I greatly value the commitment and professionalism demonstrated across the firm.

David Lamb
Chair

30 June 2026

Chief Executive Officer's Report

Iain Evans
Chief Executive Officer

Introduction

The financial year ended 31 March 2026 was a year of significant operational progress, set against an unusually turbulent market backdrop. I was formally appointed Chief Executive at the AGM on 25 September 2025, following the Board's announcement in June. With 21 years at Polar Capital, I came to the role knowing our people, our clients and the culture that drives performance. The leadership handover completed smoothly, and I am grateful to my predecessor, Gavin Rochussen, for the strong foundation that was in place.

In January 2026 we marked Polar Capital's 25th anniversary, a significant milestone for any independent boutique. The firm was founded with a clear purpose: to build a specialist asset manager, with an uncompromising focus on investment performance and client outcomes. That ethos of independent investment teams supported by a strong platform, disciplined risk management and a long-term mindset, has helped the firm navigate multiple market cycles and remain resilient. It is a genuine privilege to be leading the business as we move into the next phase of growth.

Polar Capital enters the new financial year with assets under management of £30.6bn – up 43% from £21.4bn at the start of the period – a second consecutive year of positive net inflows, and a strategic plan that positions the business to capture future growth opportunities. The pages that follow set out how we intend to build on that position.

Assets under management and fund flows

Group AuM closed the year at £30.6bn, an increase of £9.2bn over the twelve months, reflecting £8.8bn of fund performance and market movements and net inflows of £902m, partially offset by £396m of investment trust corporate actions and £75m of fund closures.

The year unfolded in two distinct halves. The first six months were characterised by net outflows of £690m, alongside a £280m one-off capital return following an investment trust corporate action, concentrated in strategies that remained out of favour, most notably Healthcare, European and UK equity strategies, alongside a number of client-specific redemptions. After a period of strong inflows, Emerging Markets also recorded net outflows, including the closure of a separately managed account.

Redemptions slowed markedly during the second quarter (July-Sept), with net outflows of £58m compared with £632m in the first quarter. That improvement carried through into the second half of the year. In the third quarter (Oct-Dec), AuM rose to £28.4bn and the Group recorded positive net inflows. The fourth quarter (Jan-Mar) provided the strongest finish to the year, with net inflows of £1.4bn – the highest quarterly net flow figure in the Group's history.

Flow dynamics

Inflows were led by our Technology and AI-related strategies, reflecting sustained client demand for exposure to structural growth themes, with both Polar Capital Global Technology and Artificial Intelligence Funds attracting particularly strong flows from wealth and private bank channels in Europe and Asia. Healthcare also contributed positively in the second half, supported by improving investment performance and new institutional mandate activity, including a new separately managed account. Elsewhere, Polar Capital Smart Energy, Polar Capital Japan Value and Polar Capital Global Absolute Return Funds each generated net inflows, demonstrating the range of strategies across which clients are allocating.

Net outflows were more concentrated and, in most cases, reflected specific client decisions rather than any broad shift in sentiment toward the firm or its strategies.

Investment performance

Investment performance is the primary measure of the value we deliver to clients and, over time, the engine of sustainable organic growth. During the year, fund performance and market movements contributed £8.8bn to AuM growth, reflecting the quality of our investment teams and the alignment of several specialist strategies with the structural themes that shaped equity markets.

Technology strategies were a particularly strong contributor. Results were consistent with the teams' high-conviction, thematic approach and disciplined implementation. A number of other specialist strategies, including Convertibles, Healthcare and Smart Energy, also delivered strong performance during the year.

Performance was not uniformly strong across the platform. Certain regional strategies lagged over the period. Where improvement is required, we have targeted actions under way, while preserving the investment independence that is central to our boutique model.

Across the Polar Capital UCITS fund range, which represents approximately 75% of Group AuM, 74% of UCITS AuM ranked in the top two quartiles of the appropriate Lipper peer group over one year to 31 March 2026; 74% over three years; 85% over five years; and 100% since inception. We regard these figures as a meaningful measure of the value delivered to clients.

Full strategy-level performance data is set out in the Investment Review on page 20.

Strategy and positioning

Since my appointment as Chief Executive, the Board, Executive team and I have refined and formalised Polar Capital's strategic plan. The plan is built around a clear ambition: to be the specialist active manager of choice, recognised for distinctive high-conviction strategies, superior client outcomes, and a culture that empowers independent thinking and high performance.

The core of the strategy is to scale through differentiation and focus, by concentrating on fewer, higher-impact priorities, scaling areas where we have a clear edge and client demand, and remaining disciplined about where we invest time, resources and capital. This approach is designed to protect what makes Polar Capital distinctive while ensuring the platform is positioned to capture future growth.

Investment and product

We are streamlining the platform around high-conviction specialist strategies, with an ultimate target of approximately 12 to 15 investment teams. A structured review of the full product range is ongoing, with actions already taken during the year, including a number of fund closures.

We are also reinforcing our position as a high-conviction thematic equity manager in Technology, Healthcare, Financials and Sustainable Thematics strategies, all areas where we have built deep capability and strong track records. In parallel, we are actively searching for complementary investment talent to broaden the platform selectively, without diluting our core identity.

Distribution

Broadening our client base remains a strategic priority. The UK remains the Group's largest market, accounting for 55% of AuM with Europe accounting for 29% and the Nordics a further 4%. We have seen meaningful growth in Europe and South-East Asia during the year, and see further opportunities to deepen client relationships and broaden access to our specialist strategies across both regions.

Progress in the US has been slower than our ambition, but it remains an important strategic priority given the size of the addressable market and our current low penetration. We are reviewing additional investment vehicles and wrappers in the US and other priority markets, where appropriate, to improve access to our strategies across new markets and channels.

This targeted approach supports long-term diversification by geography and client channel, while remaining true to our specialist franchise.

People, culture and ways of working

Our entrepreneurial, meritocratic and collegiate culture is the foundation of the firm, and it is what attracts and retains the investment talent that drives performance. We are reinforcing the behaviours and ways of working that have served Polar Capital well: clearer accountability, faster decision-making and stronger collaboration across the firm, alongside a more consistent strategic narrative so that teams are aligned on what matters most.

Developing and retaining talent is central to the durability of a specialist boutique. We continue to strengthen leadership and coaching programmes, alongside a more structured framework for identifying and developing the next generation of portfolio managers and analysts. Credible succession plans for key investment teams and senior roles are a Board-level priority, and we are making progress.

On cost efficiency, data and productivity, our ambition is clear: to grow AuM without proportional growth in headcount or operating costs. AI and data will be important enablers of that ambition, not as a productivity overlay, but as the foundation for how the firm scales. We are running targeted pilots with a clear filter: adopt what delivers measurable benefit and robust controls, and discard what does not. This is underpinned by continued investment in our data foundations and governance, ensuring information is reliable, controlled and usable across the firm. Subsequent to year end, we further strengthened technology leadership to support delivery of this agenda.

Chief Executive Officer's Report continued

Financial discipline and operating model

We are focused on maintaining disciplined economics, ensuring each investment team operates with clear performance and profitability expectations, while preserving the investment independence that underpins our boutique model. At the same time, we continue to strengthen the support provided from the centre to help teams scale effectively.

Alongside this, we remain committed to efficiency: streamlining and automating where we can, stopping low-value activity, and reinvesting the capacity released into the growth priorities that matter most. Our aim is to ensure that every pound of expenditure is working as hard as possible for clients and shareholders.

The Board's decision to initiate a £15.0m share buyback programme during the year reflects the strength of the balance sheet and confidence in the business. We will maintain that financial strength and the flexibility it provides to invest in new teams, to act on selective bolt-on opportunities where they arise, and to continue returning capital to shareholders in a disciplined and consistent manner.

Financial results

Average AuM for the twelve months to 31 March 2026 increased by 14% compared with the prior year, rising from £22.9bn to £26.0bn, reflecting strong fund performance and market movements and a second consecutive year of positive net inflows.

Net management fees† increased by 10% to £196.9m (2025: £178.3m). The management fee yield† margin declined by 2bps to 76bps, reflecting continued product-mix effects as well as long-term industry trends.

Net performance fee profits†, after staff allocations, were £16.1m (2025: £7.9m), reflecting disciplined risk management through a volatile period.

Excluding exceptional items, total operating costs were 6% higher than in the prior year, driven principally by higher share-based payment charges and continued investment in US distribution and digital content. As a result, core operating profit† increased by 11% to £62.8m (2025: £56.7m), and adjusted diluted total EPS† was 57.8p, 10% higher than the prior year.

On a statutory basis, total operating costs increased by 3% to £151.6m (2025: £146.5m), reflecting higher staff compensation costs as variable compensation increased due to improved profitability, offset by the absence of the goodwill and intangible asset impairment charges recorded in the prior year. Statutory profit before tax rose by 49% to £76.9m (2025: £51.6m), and basic EPS increased by 66%.

The balance sheet remains strong, providing the flexibility to invest in the business while continuing to return capital to shareholders.

Responsible business and sustainability

How we conduct ourselves – as investors, as employers and as a listed company – matters to our clients, our people and our wider stakeholders. Our approach is pragmatic and performance-led: our investment teams integrate material ESG considerations into research and portfolio construction in a manner consistent with each strategy's mandate and objectives, and our stewardship activity is designed to complement – not override – our specialist, decentralised model.

The sustainability landscape continues to evolve and remains increasingly complex. Regional divergence, particularly between the US and the UK and Europe, has shaped market sentiment, and political and regulatory scrutiny has intensified in some jurisdictions. Client expectations, however, have remained relatively consistent: robust and evidence-based ESG integration, and meaningful stewardship where it is additive to the investment process. We remain focused on delivering strong client outcomes and clear value for money across our fund range. We continue to respond to evolving disclosure requirements in a thoughtful and proportionate manner, ensuring communications are accurate and genuinely informative.

During the year we enhanced our stewardship activity, evolving from primarily fund-specific engagements towards more proactive and thematic engagement-coordinated internally across investment teams and, where appropriate, through collaborative initiatives. We believe this approach strengthens the impact of our stewardship while remaining authentic to our specialist investment model, supported by the central Sustainability team. We have also refined our climate approach to place greater emphasis on portfolio alignment and outcomes-driven stewardship, including enhancements to our internal net-zero alignment assessment methodology to improve consistency of analysis and support engagement.

We are also proud to support the communities around us, including our Aspire Scheme, which supports students near our London office and was recognised during the year with the 'Paying It Forward' award at the Beyond Finance Awards.

Further detail on our approach to responsible investment, stewardship and regulatory compliance is set out in the Responsible Investment section of our Sustainability Report on pages 34 to 35.

† The non-GAAP and alternative performance measures shown here are described on page 32 and reconciled on page 33.

Outlook

We have entered the new financial year with positive net inflow momentum, following the Group's strongest quarterly net flow figure in history in the final quarter of the financial year. Encouragingly, after a slight moderation in March 2026 as geopolitical uncertainty escalated, particularly in energy markets, that momentum has continued into the first quarter of the new financial year.

The structural headwinds facing active equity managers, such as passive substitution, fee compression, and client consolidation, have not abated. Yet we believe the environment is increasingly supportive of what Polar Capital offers. As markets broaden, as the pace of technological disruption accelerates and as investors seek genuine differentiation, the case for specialist active management becomes more, not less, compelling.

Our plan is clear. We will scale where we are strongest. We will apply targeted, decisive action where improvement is needed. We will diversify our client base and product range selectively, without diluting the focus and culture that define us. Polar Capital starts the year from a position of strength, with record AuM, a strong balance sheet, and the talent and conviction to convert gross demand into durable net flows. I am confident that we are well placed to deliver long-term value for our clients and shareholders.

Iain Evans
Chief Executive Officer
30 June 2026

Market Review

Polar Capital's financial year began in an environment of uncertainty. During the first calendar quarter of 2025, financial markets had been rocked by the release of Deepseek's R1 large language model, and by anticipation of the negative consequences of the trade tariffs planned by the new US administration.

The Deepseek reasoning model seemed to be the kind of high performance, low cost model that could seriously undermine the expensively-acquired dominance achieved by the US-based technology companies. At the same time, US tariffs threatened to reduce economic growth and to push up inflation.

In the event, both areas of concern have proven somewhat misplaced, at least so far, and world equity markets have rallied strongly from their April 2025 lows. Little more has been heard of Deepseek, while US rivals such as Open AI and Anthropic have continued to spend heavily. US trade tariffs have variously been reduced or renegotiated, and have as yet not led to a marked deterioration in US economic activity.

Investor positioning had become very negative early in 2025, which turned out to be fertile ground for a subsequent rally over the remainder of 2025 and extending into the fourth quarter of the financial year.

The year to end March 2026 was nevertheless notable for a high level of dispersion in individual stock returns, seen in the context of the past 30 years. The impact of AI has brought opportunity and disruption in equal measure. Companies which benefit from the strong demand for semiconductors and for data centre infrastructure have seen strong growth and share price performance. On the other side of the coin, businesses providing data and services, such as software, where demand and pricing may be under pressure from AI, have seen their share prices decline sharply.

The dispersion in stock returns naturally led to divergent outcomes across the investment management industry, with some big winners and big losers.

In aggregate, corporate earnings revisions have moved steadily higher through the year, significantly aided by the performance of the technology sector. This has provided support for equity markets.

Financial markets now face a new set of challenges, with the current conflict in the Middle East leading to higher oil and gas prices, and to a pickup in concern about inflation. Long term inflation breakevens in the US and the UK have been pretty stable, but the longer the oil price remains elevated, the more likely it is that second order effects will push up goods and services inflation.

Parallels with the 1970s have been drawn by those most concerned by inflation risks. There are differences however; the world economy is less energy intensive now, and labour bargaining power is lower. There are also opportunities. In the past, high oil prices have prompted innovation away from the oil economy, the benefits of which are now being felt via the growth in wind, solar, and other alternative energy sources.

Gold has been behaving differently from previous cycles, acting more like a risk asset than a defensive store of value. Its strength over the past two years is in part attributable to US dollar weakness, itself a result of monetary easing, and partly to central banks' desire to diversify away from dollar denominated financial assets.

Despite events in the Middle East, many equity markets ended the year under review close to all time highs.

Strategy and Business Model

The Group's aim is to be the specialist active manager of choice, known for distinctive, high-conviction strategies and superior client outcomes. We are investment led, with a strategy of delivering a range of fundamentally driven investment products that deliver differentiated risk adjusted returns over the long-term to professional and institutional investors.

Objectives

Our focus is investment performance over and above the gathering of assets. We believe there is an alignment of interest between the fund managers we recruit, their focus on delivering superior returns and the interests of professional and institutional clients who are seeking differentiated investment products.

- Remain a leading global investment management boutique
- Deliver first quartile fund performance over the investment cycle
- Sustain high levels of corporate governance and transparency
- Be a strong and dependable partner to our clients offering them a range of attractive and diversified investment products
- Maintain a robust operational infrastructure
- Differentiate the product from end to end
- Preserve a strong balance sheet

Business model

The Group operates as a scalable business platform for specialist, active investment management teams and is structured into three main business areas: Investment Management, Distribution and Client Services and Operations.

Investment Management

The Group currently supports 13 investment teams that manage a range of long-only and alternative products, including open-ended UCITS, SICAV, US 40 Act mutual funds as well as closed-ended investment trust companies and segregated mandates. We have created an environment in which fund managers can focus on managing portfolios and not be distracted by other day-to-day aspects of running a business, particularly administration. The capacity of our strategies is actively managed to enhance and preserve investment performance.

Distribution and Client Services

The Group's distribution and client services teams distribute its products in the UK and internationally to professional and institutional investors through our strong digital platform with insightful content.

Operations

The Group maintains a robust and scalable operational infrastructure and system of risk and controls which, in collaboration with third-party service providers, support all business areas.

Scaling through differentiation and focus

Strategic priorities

1 Investment and product proposition

- Streamline the platform around high-conviction specialist strategies
- Target approximately 12-15 investment teams over time
- Scale strategies with clear demand, capacity and edge
- Add complementary investment talent selectively

2 Distribution and client services

- Deepen strong foundations in the UK and Continental Europe
- Consider additional vehicles where they improve access to new markets and channels
- Build longer-term diversification by geography and client type

3 People, culture and technology

- Preserve entrepreneurial, meritocratic and collegiate culture
- Strengthen accountability, faster decision-making and collaboration
- Develop next-generation portfolio managers and analysts
- Use AI and data to scale without proportional growth in headcount or cost

4 Financial discipline and operating model

- Maintain disciplined economics, clear performance and profitability expectations
- Preserve investment independence while strengthening central support
- Streamline, automate and stop low-value activity
- Maintain balance sheet flexibility for seeding, new teams, bolt-ons and shareholder returns

Link to KPIs

- Core operating profit
- Performance fee profit
- Core operating profit margin
- Adjusted diluted total EPS
- Adjusted diluted core EPS
- Total shareholder return
- Net management fee yield
- Net flows
- Investment performance

Progress during 2026

- Group AuM closed at a record £30.6bn, up 43% from £21.4bn at the start of the year, despite heightened geopolitical and economic uncertainty. Average AuM rose 14% to £26.0bn (2025: £22.9bn).
- AuM growth reflected £8.8bn of fund performance and market movements and net inflows of £902m, partially offset by £396m of investment trust corporate actions and £75m of fund closures.
- A second consecutive year of positive net inflows, with a record £1.4bn in Q4, the highest quarterly net flow figure in the Group's history.
- Sustained client demand for differentiated specialist strategies, led by Technology and AI, with Healthcare, Smart Energy, Japan Value and Global Absolute Return each generating net inflows.
- Strategy execution advanced: product range review under way, fund closures actioned, and continued focus on scaling high-conviction strategies where demand, capacity and competitive edge are clear.
- Geographic diversification progressing: European AuM grew to 29% of the total and Asia to 8%, reflecting continued investment in international distribution and growing demand from wealth and private bank channels.
- Distribution priorities sharpened: The UK and Continental Europe remain strong foundations at 55% and 29% of AuM respectively; the US and Asia remain priority growth markets.
- £15.0m share buyback initiated in January 2026, reflecting balance sheet strength and Board confidence in the business.
- Maintained total dividend per share at 46.0p.

Key Performance Indicators (KPIs)

The following key performance indicators are used to measure progress against our strategy. The financial performance indicators, alongside the drivers for year on year movements, are discussed in greater detail in the Financial Review on pages 28 to 31.

Despite macroeconomic uncertainty during the financial year 2026, Polar Capital has continued to demonstrate resilience and maintained long term investment performance.

Financial performance indicators

Core operating profit[†]

These are Group profits before performance fee related profits, other income and tax.

+11%

2026 **£62.8m**

2025 **£56.7m**

Core operating profit margin[†]

This measure of Group profitability is calculated as core operating profits divided by net management fee revenue.

Unchanged

2026 **32%**

2025 **32%**

Net management fee yield[†]

This measures the average management fee charged across our product range by dividing net management fees earned by the average AuM during the year.

-2bps

2026 **76bps**

2025 **78bps**

Performance fee profit[†]

Gross performance fee revenue less performance fee interests due to staff.

+104%

2026 **£16.1m**

2025 **£7.9m**

Adjusted diluted total EPS[†1]

The Group's adjusted profits from management fees, performance fees and other income measured per share.

+10%

2026 **57.8p**

2025 **52.6p[1]**

Adjusted diluted core EPS[†1]

The Group's adjusted core operating profits measured per share.

+8%

2026 **46.5p**

2025 **43.0p[1]**

Total shareholder return

We measure the value created for shareholders by monitoring the sum of the change in share price plus dividends paid.

+55ppt

2026 **56.5%**

2025 **1.5%**

Increase in total shareholder return is primarily due to increase in the share price over the year.

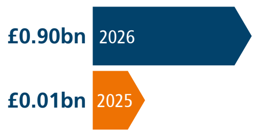
† These non-GAAP alternate performance measures are described in more detail on page 32.

1 Comparative figures have been restated to correct the adjusted profit before tax figure used in the calculation for Adjusted diluted and Adjusted diluted Core EPS. See Note 2 of the Financial Statements for further information.

Non-financial performance indicators

Net flows

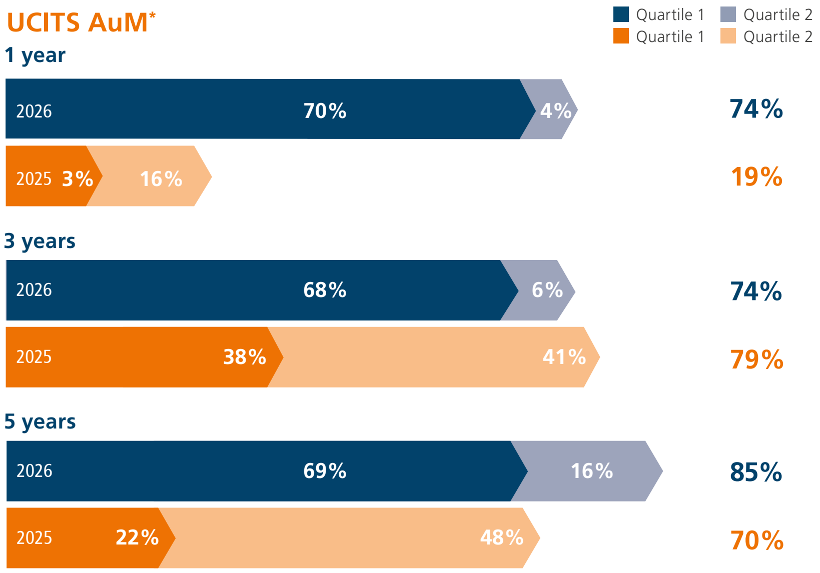
These represent the net amount of inflows into and redemptions from our product range during the year.



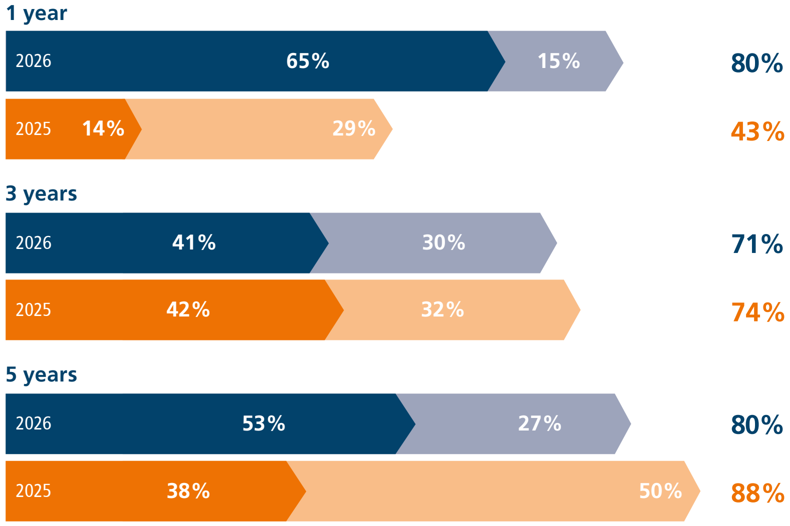
Investment performance

We monitor the percentage of our UCITS AuM and number of funds in the top two quartiles per Lipper figures over 1, 3 and 5 year rolling periods.

UCITS AuM*



UCITS funds*



*Information as at 31 March 2026 relating to our UCITS products which represents 75% of total AuM.
For further detail on investment performance, see the Business Review section on page 20.

Business Review

Assets under Management and Fund Flows

The financial year saw early signs of a more supportive environment for active managers. In recent years, accommodative monetary policy and high index concentration have contributed to narrower market leadership, reinforcing investor preference for lower-cost passive approaches. More recently, shifts in market leadership, shaped in part by geopolitical developments and rapid advances in artificial intelligence, have begun to create a more favourable backdrop for differentiated active strategies.

At 31 March 2026, AuM stood at £30.6bn, an increase of 43% year-on-year, supported by fund performance and market movements and positive net flows of £902m (excluding corporate actions and fund closures). Fund flows improved as the year progressed, with stronger momentum in the second half and a particularly strong final quarter, which delivered £1.4bn of net inflows.

A tale of two halves

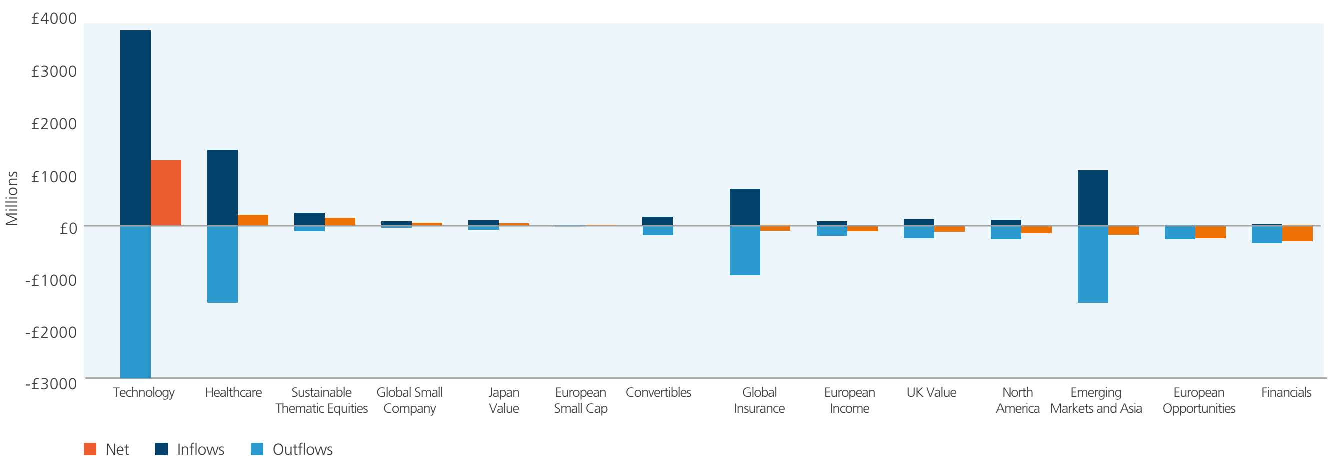
The financial year began with significant volatility. President Trump's "Liberation Day" tariff announcement on 2 April 2025 triggered a sharp sell-off across equity and bond markets, with AuM falling to a low in the year of £19.9bn in early April. Confidence returned as trade policy softened and reciprocal tariffs were paused, supporting a recovery in global markets. The second half of the year was therefore more constructive, and performance across several specialist strategies supported improved client engagement and flows.

At a product level, flows reflected strong demand for a number of specialist strategies, driven by continued client interest in structural growth opportunities.

Technology and AI-related Funds led the way, supported by both increased allocations from existing clients and new client wins, most notably across wealth and private bank channels in Europe and Asia. The Polar Capital Artificial Intelligence Fund recorded net inflows of £756.7m, followed by the Polar Capital Global Technology Fund with £696.5m. The Polar Capital Smart Energy Fund returned to net inflows of £127.1m, and our Healthcare strategies also contributed positively: the Polar Capital Biotechnology Fund recorded inflows of £183.6m, alongside the Polar Capital Healthcare Opportunities Fund (£123.7m inflows) and the launch of a new separately managed account in partnership with a Swiss Wealth Manager. The Polar Capital Global Absolute Return Fund also recorded net inflows of £81.4m, reflecting the breadth of the product range.

These inflows were partially offset by outflows which were concentrated and, in most cases, reflected specific client asset allocation decisions rather than a broader change in sentiment towards the firm's strategies. The principal areas of net outflow were the Polar Capital North American Fund (£142.6m), Polar Capital Global Insurance Fund (£104.1m) and the Polar Capital Global Convertible Fund (£92.6m). European and UK equity strategies remained out of favour for much of the period. The Polar Capital European ex-UK Income Fund and Polar Capital UK Value Opportunities Fund recorded outflows of £108.9m and £107.2m respectively. Following a sustained period of investor redemptions, the Polar Capital Melchior European Opportunities Fund was closed on 10 December 2025 and entered an orderly liquidation process, resulting in £236.1m of outflows over the year.

Strategy fund flows for the 12 months to 31 March 2026*



*Source: AuM – Polar Capital

Investment trusts

Investment trusts remain an important part of the business, representing around 22% of Group AuM. During the year, shareholder support for continuation votes and tender processes across the range reflected confidence in the underlying strategies and long-term relevance of the Trusts.

Polar Capital Global Financials Trust plc successfully concluded its scheduled tender offer in June. Following the return of £280.0m of capital to shareholders, the Trust commenced its new five-year term with net assets of £360.0m, a notable increase from around £100.0m at the time of the previous continuation event.

At the Polar Capital Technology Trust plc AGM on 10 September 2025, shareholders voted overwhelmingly in favour of continuation, with approximately 99% of votes cast supporting the resolution. The Trust entered the FTSE 100 Index for the first time in February 2025, reflecting strong NAV growth. Despite this performance, the Trust bought back shares totalling £237.5m during the period to 31 March 2026, as part of its discount management activity.

The results of the Polar Capital Global Healthcare Trust plc corporate restructure and tender offer were announced on 26 November 2025. The Company satisfied the Minimum Continuation Condition, with almost 80% of the existing share capital remaining invested, providing support for the Trust's next phase.

The investment trust sector continues to face headwinds, including persistent discount pressure, shareholder activism and evolving distribution dynamics. We continue to engage constructively with Trust boards on long-term positioning, discount management and shareholder communications, with a focus on protecting shareholder interests and maintaining high standards of governance.

Client engagement and distribution

Polar Capital benefits from a strong brand, particularly in our home market, supported by consistent and proactive client engagement. Our global events programme and digital channels remain important components of distribution, helping to deepen existing relationships and extend our reach in priority markets. We continue to see encouraging engagement from Continental Europe and growing interest from Asia, while the US remains a strategic focus.

Independent brand research also supports this positioning. In the Broadridge Fund Brand 50 report, a survey of professional fund buyers, Polar Capital ranked 8th in the UK, reflecting the strength of our investment capabilities, client interaction and overall client experience.

In the UK, we continue to develop our engagement with retail investors through the promotion of our investment trusts, supported by our growing digital marketing capability.

Overseas growth

A stated strategic objective has been to diversify into overseas markets. While there is further opportunity to grow, our existing global footprint is a strength relative to similar sized peers and we continue to see good levels of support from Europe and growing interest from Asia. Assets from overseas investors account for 45% of Polar Capital's AuM. The US remains a key focus market and, during the year, we onboarded a separately managed account with a high-quality US institution.

Polar Capital AuM

Source: AuM – Polar Capital

[1] AuM as of 19 June 2026

Business Review continued

Data, AI and ways of working

We continue to invest in data and AI to improve how we scale and serve clients, focusing on practical use cases across content, client servicing and operational workflows, under clear governance and controls. The objective is to support growth without proportional increases in headcount or operating costs, while strengthening quality and consistency.

Outlook

The year represented one of significant operational progress for Polar Capital. Recent events in the Middle East serve as a reminder of markets' sensitivity to geopolitical factors and we cannot be complacent. Active managers continue to face structural pressures, including fee compression, rising costs and increasing regulatory complexity. However, investor interest in active management has increased and our new business pipeline remains encouraging. As markets broaden and the pace of technological disruption, including AI, accelerates, the case for specialist active management becomes increasingly compelling. The outperformance delivered by our investment teams and the subsequent inflows demonstrate that active management can deliver value when executed with discipline and clarity of focus.

During the year, Polar Capital was recognised in a number of awards, including:

Germany's WirtschaftsWoche

- Best Fund Company 2026

Quoted Data Awards

- Best Boutique Asset Manager

POLAR CAPITAL | 25 YEARS Est. 2001

Fund performance

With the dispersion of individual stock returns over rolling three month periods at very high levels, judged in the context of the past 30 years, it is perhaps no surprise to see relative performance among Polar strategies deviating quite significantly from benchmark over the 2025-26 business year. Pleasingly, a much higher percentage of Polar Capital's assets under management outperformed than underperformed.

Polar Capital's foundational Technology and Healthcare strategies had a good year. The Polar Capital Global Technology Fund outperformed its benchmark by just over 58%, and rose by nearly 92% in absolute terms. The Polar Capital Technology Trust plc and Polar Capital Artificial Intelligence Fund both delivered absolute returns well in excess of 60% and outperformed their benchmarks by 32% and nearly 49% respectively. The key to outperformance in all three cases was the early decision to remove almost all software exposure from the portfolios and to increase exposure to tech hardware, including semiconductors. For some time, Polar Capital's Technology team has been "all in on AI", believing that AI's transformational attributes will make life difficult for software and data businesses as enterprise adoption of AI accelerates. The team has also been making major strides in using AI tools to render its investment research process more efficient and insightful.

Polar Capital's Healthcare and Biotech strategies outperformed, with the Polar Capital Biotechnology Fund nearly 21% ahead of benchmark, and the Polar Capital Healthcare Opportunities Fund 17% ahead. The former continues a record of outperforming every calendar year for the period since inception, while the latter has sourced index-beating investment ideas from across the Healthcare spectrum and from further down the size curve.

Polar Capital's Zurich-based Smart Energy team joined the firm in 2021 and is approaching its five-year fund anniversary, investing in companies that provide technological solutions and services for the decarbonisation of the global energy sector. The team has faced some ups and downs in investor appetite for electrification and decarbonisation, but a higher oil price and booming data centre demand have once more illustrated the merits of alternative energy sources. It is gratifying to see that the Polar Capital Smart Energy Fund has now delivered investment returns ahead of the MSCI All Countries World index over the almost five-year period since its inception.

Polar Capital's Convertible Bond team has performed well, with its Polar Capital Global Convertible Fund rising by 26% in the financial year, beating its benchmark by 15%, while the Polar Capital Global Absolute Return Fund, appreciated by 15.3% in the 12 months to end March 2026.

Polar Capital's Financials strategies, the Polar Capital Global Financials Trust plc, and the open-ended Polar Capital Financial Credit Fund, also finished the year a little ahead of their respective benchmarks, as did the Polar Capital Japan Value Fund.

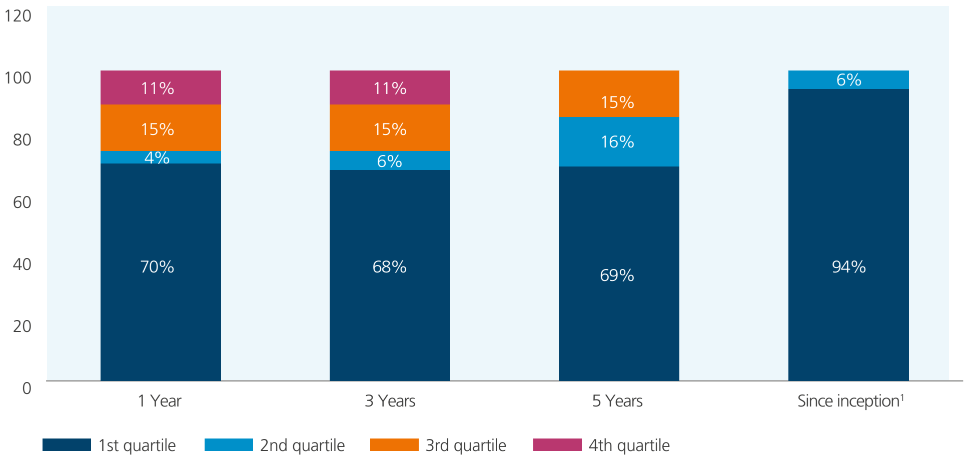
More broadly, investing in regional or single country strategies has been tough, due to the dominance of a small number of companies, sectors, and styles. Polar Capital's UK Value, North American, and Europe ex-UK strategies finished the year to 31 March 2026 behind benchmark, as did Emerging Market Stars, where the variability of returns from China, and the increasing benchmark concentration played a role. The Emerging Market team's Asia strategy did outperform however.

Polar Capital Insurance Fund, which invests largely in US non-life companies, has an excellent long-term track record but underperformed by 2% in the year under review.

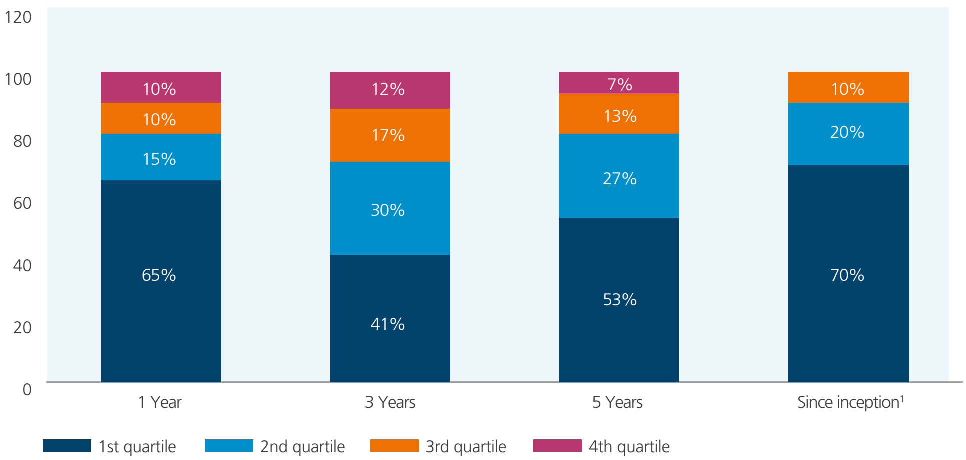
Business Review continued

The performance during the financial year meant that as at 31 March 2026, 74% of our UCITS funds' AuM, representing 75% of total AuM, were in the top two quartiles against the Lipper peer group over one year, 74% in the top two quartiles over three years with 85% and 100% in the top two quartiles over five years and since inception respectively. Of our 20 funds listed within the UCITS umbrella, 80% were in the top two quartiles over one year, and 71%, 80% and 90% in the top two quartiles over three years, five years and since inception respectively.

Performance over time for UCITS funds AuM - 31 March 2026



Performance over time for UCITS funds - 31 March 2026



Source: Lipper figures for long only and alternative UCITS funds 31 March 2026.

[1] Figures are rounded to the nearest whole number. The difference between the performance as a percentage of UCITS AuM and performance as a percentage of UCITS funds reflects the concentration of assets within higher-performing funds; rounding of the AuM-weighted measure results in an aggregate of 100% for the top two quartiles for UCITS AuM compared with 90% on a fund-count basis.

Profile of investment teams

The Group comprises **13 investment teams** managing **23 funds** and **3 investment trusts** as well as **a number of segregated mandates**. The following is the profile of each investment team in order of their establishment.

Technology

Established: **2001**

Team size: **12**

Years' experience: **160+**

Team AuM: **£16.8bn**

The team is among the most respected in the industry. They leverage the knowledge and experience of 12 sector specialists who run one of the largest pools of technology assets in Europe and enjoy a strong multi-cycle track record. They look for technology companies exposed to structural, secular trends, applying or enabling AI, which have long-term growth potential as disrupters. This multi-cap, growth-centric investment approach is delivered within a diversified portfolio to capture growth/upside potential while managing risk.

The team believes AI represents the next general purpose technology and a rare example of discontinuous technological change. The team applies an 'AI lens' to all potential and existing portfolio holdings and the vast majority of the portfolio consists of companies they believe are enablers or beneficiaries of AI.

The Polar Capital Artificial Intelligence Fund was launched in 2017 to capture the far-reaching impact of AI beyond the technology sector and the team's experience in running a dedicated AI fund has proven a structural advantage to help navigate the complexities around AI as the next disruptive technology.

Funds Managed:
- Global Technology
- Artificial Intelligence
- Polar Capital Technology Trust

Healthcare

Established: **2007**

Team size: **8**

Years' experience: **150+**

Team AuM: **£4.7bn**

Our well-established and highly experienced healthcare team has a clearly defined way of managing money: they use a bottom-up, stock-picking approach to construct well-diversified but concentrated portfolios that target growth at a reasonable price.

This conviction approach remains the same across the six-strong fund range, each of which has a different risk profile and provides exposure to different aspects of the healthcare sector.

The team views healthcare as a long-term, secular growth sector as an older population drives the demand and the need for increased healthcare provision. Moreover, technology is transforming the way healthcare is managed, delivered and paid for, changing the competitive structure of the industry. This shifting landscape creates investment opportunities that extend well beyond the familiar pharmaceutical companies.

Looking ahead, the team expects returns to be polarised, with the 'winners' being not only the smaller companies that innovate to bring breakthrough new medicines and technologies to patients, but also those larger companies which can adapt to, or perhaps even drive, structural change in the way healthcare is delivered.

The team believes smaller companies – the innovators – will disrupt the sector with new technologies, devices, business models, drugs and services. At the same time, they believe those companies with proactive management using strategies to transform how healthcare is managed, delivered and paid for will take market share as well as produce stable earnings growth and compounding returns for investors.

[1] Renamed Polar Capital Global Healthcare Select Fund from 29 April 2026

Funds Managed:
- Healthcare Opportunities
- Biotechnology
- Polar Capital Global Healthcare Trust
- Emerging Market Healthcare
- Segregated mandates
- Healthcare Blue Chip[1]
- Healthcare Discovery

Business Review continued

Global Insurance

Established: **2010**

Team size: **2**

Years' experience: **40+**

Team AuM: **£2.4bn**

The Global Insurance team invests primarily in the global non-life insurance industry. A key attraction of the sector is that the driver of book value[1] growth for the best companies is underwriting profits. This profit stream tends to be largely disconnected from the broader economy and financial markets.

Insurance is mostly a compulsory purchase, often required by law, and therefore the industry exhibits robust demand characteristics and has historically been defensive in challenging economic times.

Non-life insurance company investment portfolios largely consist of cash and short-dated bonds as companies need liquidity to pay claims that can happen at any time, adding to the sector's defensiveness. Non-life insurers have coped well with the low investment returns since the global financial crisis.

Insurance policies renew annually so insurers have adjusted premiums to sustain overall returns. Since 2022, companies have seen significant growth in their investment income given the rise in short-term bond yields which, when added to already exceptional underwriting profitability, has resulted in the best earnings power the team have seen in many years.

A well-run insurance company is a compounding machine. In insurance, the rate of compounding is best measured as the growth in book value per share and dividends over time. The team's investment process is to construct a diversified portfolio of 30-35 stocks where the holdings, in aggregate, can grow their book values at an attractive rate over the long term.

The team favours smaller, specialist underwriters with significant management ownership rather than large conglomerates. The insurance industry exists to pay claims so having appropriate underwriting diversification and limiting exposure to volatile natural catastrophe (re)insurers are key to maintaining good returns.

[1] A company's assets after netting out its liabilities

Funds Managed:
- Global Insurance

Financials

Established: **2008[2]**

Team size: **5**

Years' experience: **105+**

Team AuM: **£0.4bn**

The team is one of the largest in the industry dedicated to the Financials sector, responsible for two funds that invest in the equities and bonds of financial companies. The team's investment process looks for high-quality businesses with strong franchises and profitability from a bottom-up, fundamental stock and credit analysis perspective using their proprietary analysis of companies built up over many years.

Financials is the second largest equity investment sector globally and has been a big beneficiary of rising interest rates and bond yields over the past five years which has boosted earnings, leading to stronger performance. Consequently, the sector has outperformed in four of the past five calendar years, notwithstanding the volatility in equity markets over that period.

With markets moving to the view that interest rates will not return to the levels seen during the pandemic or for much of the decade after the global financial crisis, the team expects the sector to continue to benefit as valuations adjust to reflect the longer-term improvement in profitability. Furthermore, there is further upside from the potential for significant efficiency gains from AI and other growth opportunities, outside the shorter-term impact from geopolitical volatility from the conflict in the Middle East and closure of the Strait of Hormuz.

With policymakers in the US, and latterly also in the UK and Europe, looking to reduce the regulatory burden on the sector to promote growth, we believe it should benefit from the potential for higher capital returns through dividends and share buybacks, increased merger and acquisition activity and lower costs.

Finally, we believe the sector will benefit from any shift by investors to diversify their equity allocation away from the US technology sector that has dominated global equity markets.

[2] Joined Polar Capital from Hiscox Investment Management in 2010

Funds Managed:
- Polar Capital Global Financials Trust
- Financial Credit

Convertibles

Established: **2010**

Team size: **4**

Years' experience: **90+**

Team AuM: **£0.4bn**

The team is highly experienced and manages two funds with different risk characteristics. The Global Convertible Fund is long only and the Global Absolute Return Fund is a convertible arbitrage fund. Nonetheless, both have a similar three-stage investment process, namely fundamental credit analysis followed by convertible analysis and finally the identification of equity catalysts. The primary difference between the two funds is the extent of the hedging of downside risks. Both offer attractive distribution yields.

Over the past three years, the convertible asset class has grown and broadened significantly, leading to a universe today that is as diverse as the S&P 500. This, and the fact that convertibles can benefit from higher equity volatility, has led to a renaissance and renewed investor interest in this inherently defensive asset class.

The current global macroeconomic picture is arguably the most uncertain it has been since the pandemic in 2020. In the US, economic policy – specifically tariffs – has the potential to disrupt global supply chains, slow growth and prove inflationary. At the same time, elevated geopolitical tensions, particularly in the Middle East, are adding further uncertainty through their impact on energy markets and global energy security, increasing the risk of commodity price volatility and broader macro instability.

Funds Managed:

- Global Absolute Return
- Global Convertible

North America

Established: **2011**

Team size: **3**

Years' experience: **70+**

Team AuM: **£0.5bn**

The team's active approach to investing is driven by bottom-up, fundamental stock analysis. This investment approach is based on the simple idea that they are investing their clients' savings in North American businesses with the goal of compounding those savings over the long term to generate an attractive return. The team believes the best chance of doing this successfully is by identifying businesses that sustainably compound at attractive rates and to invest in those businesses at attractive prices.

By focusing on value creation – defined as a business's underlying operational growth and plus capital return – as well as taking a disciplined approach to value, the team believes the portfolio has a higher probability of delivering attractive upside potential and of benefitting from a two-fold margin of safety – a fundamental margin of safety and a value margin of safety.

The Fund's value creation has been strong since launch on an absolute and relative basis. The value discipline has not been rewarded over the past decade given severe stylistic headwinds. In prior periods when this has been the case, value headwinds have often turned to tailwinds and the team believes that the potential combination of durable value creation and value is as powerful as ever looking forward.

Another key feature of the team's approach is being genuinely multi-cap to take advantage of the breadth and depth of America's stock markets. Although record concentration has been a key feature of the US stock market in recent years and AI has been a dominant theme driving a significant share of market gains, the team believes that the best way to build a durably compounding portfolio at an attractive price is to find opportunities across the market-cap spectrum with diverse value creation drivers.

Funds Managed:

- North American

Business Review continued

Japan Value

Established: **2012**

Team size: **2**

Years' experience: **35+**

Team AuM: **£0.3bn**

The team believes in a long-term, bottom-up, research-driven approach to investing. They have a value philosophy and look to capitalise on the unique investment opportunities presented by Japan, where there is extreme divergence between intrinsic and market values caused by a combination of behavioural, capital and informational inefficiencies.

They look to exploit these unique inefficiencies to generate consistently strong risk-adjusted returns by investing in companies trading below their intrinsic value.

The Fund offers an all-cap investment opportunity, but with greater exposure to small and mid-cap companies where the team believes the greatest market inefficiencies exist. They believe the investment opportunities in Japan are attractive when put in a global context and that the return potential is underwritten by unique long-term drivers.

One of the core long-term drivers for the Japanese equity market is continued corporate reform. The pace of change across corporate Japan has accelerated materially in the past few years, as management teams have come under even greater pressure to enhance capital efficiency driven by new initiatives from the Tokyo Stock Exchange and a growing number of successful activist investor campaigns.

The Corporate Governance Code is expected to be updated in summer 2026, marking its first revision in five years. The anticipated changes are likely to place greater emphasis on inefficient cash usage, rather than the broader capital efficiency measures that have been the focus to date. This is particularly relevant for Japan's small and mid-cap companies, where cash allocation remains a key issue.

The team believes these reforms will provide a meaningful tailwind for the small and mid-cap investment universe in the years ahead.

Funds Managed:

- Japan Value

European ex-UK Income

Established: **2014**

Team size: **2**

Years' experience: **30+**

Team AuM: **£0.1bn**

The Fund targets double-digit annual total shareholder returns by harnessing the compounding power of dividend growth. The team focuses on high-quality, cash-generative European companies with strong balance sheets and sustainable dividends, favouring large-cap, defensive sectors that can grow payouts over time.

The Fund identifies compelling contrarian opportunities, investing in fundamentally sound businesses that are temporarily out of favour. Rigorous due diligence across business fundamentals, capital allocation and ESG factors underpins the team's selection process. They avoid both overvalued names and low-quality high yielders, typically steering clear of stocks yielding over 6% where dividends often prove unsustainable.

Europe remains a fertile ground for income investing and the team feels the region offers plenty of high-quality companies at attractive starting valuations. Germany's historic fiscal expansion is beginning to translate into tangible economic activity. Reforms due from the Mario Draghi Competitiveness Agenda are gathering real traction. In addition, a broadening reallocation of capital away from US markets – where stagflation risks are rising and valuations look increasingly stretched – is redirecting flows toward European assets at a compelling moment in the cycle.

Since the pandemic, dividend policies have also reset. Many companies now blend dividends and share buybacks, accelerating dividend-per-share growth. In today's higher-cost-of-capital environment this trend favours defensive dividend growers, which the team believes are well positioned to outperform.

In our view, the team's core competences – valuation discipline and risk management – make the Fund well set given the current regime shift uncertainty.

Funds Managed:

- European ex-UK Income

UK Value

Established: **2017**

Team size: **2**

Years' experience: **40+**

Team AuM: **£0.9bn**

The team has followed the same bottom-up, company-specific, research-driven process for over a decade. They use a value philosophy to uncover companies trading at a temporary discount to their intrinsic value. The team adopts a multi-cap approach, seeking to take advantage of the best investment opportunities in UK large, mid- and small-cap stocks. The Fund has a high active share with stock holdings differing significantly from those in its benchmark.

The team believes a critical inflection point has been reached in UK equity flows, with international buyers beginning to outweigh domestic sellers. This shift is being driven by increased diversification away from the US, with the UK representing 14% of the MSCI World ex-US index; relative insulation from AI-related risks; and a favourable backdrop for value investing where the UK remains the leading global destination.

The return to inflows has allowed underlying catalysts to gain traction, driving significant reratings. We expect these to continue asserting themselves over the remainder of the year. The most powerful catalysts have been consistent multi-year earnings upgrades, mega-cap upgrades, positive flow dynamics, restructuring stories and M&A activity.

The final quarter of the reporting period saw significant factor headwinds driven by the outbreak of the war in the Middle East. This has had an outsized impact on mid-cap, domestic and cyclical equities, creating compelling mispricing. In the event the ceasefire holds and the Strait of Hormuz reopens, the team expects the most severe growth downsides to be averted, interest rate hikes to be removed from the forward curve and hard-hit areas such as banks, mining, travel and rate-sensitive domestics to recover meaningfully.

The underlying momentum of the Fund remains very strong. The Fund's holdings delivered earnings upgrades in 55% of cases during the Q1 reporting season, compared to 45% for the broader market. Also, the Fund trades at a significant discount to the market while generating higher earnings growth.

Funds Managed:
- UK Value Opportunities
- Segregated mandate

Emerging Markets & Asia

Established: **2018**

Team size: **6**

Years' experience: **90+**

Team AuM: **£3.5bn**

The team comprises fundamental, bottom-up stock-pickers who take a long-term investment view. Their core objective is to add alpha[1] by identifying companies whose potential growth in Economic Value Added (EVA)[2] is mispriced. They seek to do this by leveraging their strong analytical skills and company relationships.

Part of this process includes a detailed analysis of a company's ESG characteristics in seeking to identify those that are most likely to create long-term, sustainable shareholder returns. The team also looks for potential improvements in a company's ESG profile as an indicator of an improved outlook for the company and thereby enhanced returns.

The team believes the outlook for corporate profits in emerging markets is positive. Markets have only priced in relatively low growth and return expectations over the medium term. Consequently, they believe higher quality companies in particular offer a good balance of risk and reward.

1 A measure of an investment's performance above that of the market

2 Economic value added (EVA) is a measure of a company's financial performance that compares the rate of return on invested capital with the opportunity cost of investing elsewhere

Funds Managed:
- Asian Stars
- Emerging Market Stars
- Segregated mandates
- Emerging Market ex-China Stars

Business Review continued

Sustainable Thematic Equities

Established:	Team size:	Years' experience:	Team AuM:
2021	**5**	**100+**	**£0.5bn**

The experienced and respected sustainable thematic investment team of five joined Polar Capital in 2021. The team invests in opportunities that enable the transition towards a more sustainable economy. The investment objective of the fund range is to provide long-term capital growth while pursuing a sustainable objective relevant to the portfolio's theme.

Their disciplined and rigorous investment process enables consistency in stock selection and focuses on fundamental analysis to build a high-conviction portfolio. The fundamental analysis involves an assessment of the attractiveness of the subthemes, the drivers underpinning them and solutions/technologies that contribute positively to them.

The portfolios are actively managed, flexibly looking for new investment opportunities in attractive growth areas while considering general macroeconomic conditions.

The team will most likely make an investment if a company offers strong growth potential and high barriers of entry, is run by an experienced management team and appears underappreciated by the market participants.

They have built a comprehensive risk framework, allowing them to optimise the portfolio's risk/return characteristics through diversification while carefully monitoring stock and cluster-specific risks.

The team's sustainability expertise is integrated at all the different stages of the investment process. They invest in sustainable companies that make significant positive contributions to the portfolio theme through their innovative technologies and solutions. They believe sustainable companies can mitigate risks while providing positive, long-term returns.

Funds Managed:
- Smart Energy
- Segregated mandate
- Smart Mobility

European Small Cap

Established:	Team size:	Years' experience:	Team AuM:
2024	**2**	**40+**	**£9.5m**

The team aims to maximise returns at a low level of risk by applying a bottom-up, value-based approach to stock selection. They focus exclusively on identifying mispriced small-cap European equities, drawing on fundamental research to uncover overlooked opportunities in a large, under-researched universe.

Potential investments are assessed through rigorous due diligence, with particular emphasis on the underlying quality of a company's business model, its ability to defend or grow its market position and its potential to sustain above-average profitability, underpinned by superior returns on capital and strong cash generation. This process includes detailed financial statement analysis and a disciplined approach to valuation, ensuring every portfolio holding is purchased with a clear margin of safety.

The European small-cap market is characterised by niche market leaders and national champions operating in dynamic and evolving competitive landscapes. The region continues to offer compelling opportunities due to persistent valuation dispersion, particularly between modestly growing, high-quality but lesser-known companies and their larger, more widely followed counterparts. These inefficiencies provide a rich hunting ground for high-conviction, long-term investors.

Funds Managed:
- European Small Cap

Global Small Company

Established: **2024**

Team size: **4**

Years' experience: **40+**

Team AuM: **£0.1bn**

The Global Small Company team use a proven investment philosophy and process to find and build a concentrated portfolio of Wealth-creating, Alpha-generating Compounders (WAC). WACs have the ability to grow multiple times larger and become more formidable over a 5-10 year holding period.

The team uses a fundamental, deep due diligence process consistently applied to build low-turnover, high-conviction portfolios. It looks for companies that have long-duration growth opportunities, sustainable competitive advantages and a strong ability to execute.

The team builds models to allow for scenario analysis and uses 10-year discounted cashflow[1] to value companies on a dynamic basis. The companies are held over a 5-10 year period to take advantage of the effect of compounding capital. The result is a best ideas portfolio with guard rails around sectors, geographies and life cycle risk to monitor and manage exposures.

The team of researchers has a flat hierarchy to benefit from all members' diverse backgrounds and unique insights. The aim is consensus outcomes but this will not always be attainable, therefore the Lead Manager and Researcher is empowered to make the final decisions as needed.

[1] Discounted cashflow estimates the value of an investment based on its expected future cashflows

Funds Managed:
- International Small Company

Financial Review

Samir Ayub
Chief Financial Officer

AuM

AuM movement in twelve months to 31 March 2026 (£bn)	Open ended funds	Investment Trusts	Segregated mandates	Total
AuM at 1 April 2025	16.0	4.8	0.6	21.4
Net flows	1.2	(0.2)	(0.1)	0.9
Corporate actions	–	(0.4)	–	(0.4)
Fund closures	(0.1)	–	–	(0.1)
Market movement and performance	6.3	2.4	0.1	8.8
Total AuM at 31 March 2026	23.4	6.6	0.6	30.6

AuM at 31 March 2026 increased by 43% to £30.6bn from £21.4bn at 31 March 2025 through a combination of net flows of £0.9bn and market movement and fund performance of £8.8bn offset by fund closures and one off returns of capital, totalling £0.5bn, related to corporate actions on closed ended investment trusts.

The mix of AuM between open ended funds, investment trusts and segregated mandates remained materially unchanged compared to the prior year.

Average AuM for the year was £26.0bn which was a 14% increase compared to £22.9bn for the previous year.

Revenue

Management fees

	31 March 2026 £'m	31 March 2025 £'m
Management and research fees	232.6	206.1
Commissions and fees payable	(35.7)	(27.8)
Net management fees†	196.9	178.3

The higher average AuM over the year offset by the lower yield translated into the Group's net management fees† increasing by 10% from £178.3m in 2025 to £196.9m this year.

Net management fee yield

	31 March 2026	31 March 2025
Average AuM (£'bn)	26.0	22.9
Net management fees† (£'m)	196.9	178.3
Net management fee yield† (bps)	76	78

Net management fee yield† over the year measured 76bps (2025: 78bps). Over the medium term our stated guidance is to expect an annual decrease of at least 1-2bps due to changing client and product mix as well as long-term industry trends.

Performance fees

	31 March 2026 £'m	31 March 2025 £'m
Performance fees	31.7	16.0

The strong performance posted by certain underlying funds resulted in performance fees earned for the financial year to 31 March 2026 of £31.7m (2025: £16.0m).

† The non-GAAP and alternative performance measures shown here are described on page 32 and reconciled on page 33.

Operating and finance costs

	31 March 2026 £'m	31 March 2025 £'m
Salaries, bonuses and other staff costs[1]	41.9	39.6
Core distributions[2†]	58.9	50.6
Share-based payments[3]	5.9	5.0
Performance fee interests[†]	15.6	8.1
Total staff compensation	122.3	103.3
Other operating costs	29.3	28.4
Exceptional costs	–	14.8
Total operating costs	151.6	146.5
Finance costs	0.2	0.2
Operating and finance costs	151.8	146.7

1. Including share awards under deferment plan of £1.0m (2025: £0.8m).
2. Including share awards under deferment plan of £0.8m (2025: £1.2m).
3. Share-based payments on preference shares of £1.8m (2025: £1.9m), LTIPs of £3.3m (2025: £2.4m) and equity incentive plan of £0.8m (2025: £0.7m). Refer to note 3.6.

Total operating and finance costs increased 3% to £151.8m (2025: £146.7m) with the increase resulting mainly from higher staff compensation costs as variable compensation increased due to improved profitability, offset by the year-on-year reduction in exceptional costs with an impairment charge on goodwill and intangible assets having been recognised in the prior year.

Core distributions, which are variable compensation amounts payable to investment teams from management fee revenue, increased as a direct consequence of the higher average AuM over most of the year and the resulting higher management fee revenues and core operating profit.

Performance fee interests, which are variable compensation amounts payable to staff from performance fee revenue, also increased due to the larger amount of such fees generated this year.

Other operating, non-staff compensation-related costs increased 3% compared to prior year.

Exceptional items

	31 March 2026 £'m	31 March 2025 £'m
Recorded in operating costs		
Amortisation of intangibles	–	1.2
Impairment of goodwill and intangibles	–	13.6
Total exceptional items recorded in the consolidated statement of profit or loss	–	14.8

Exceptional items for 2025 were comprised of significant items of income or expenditure related to the non-cash amortisation and impairment of previously acquired goodwill and intangible assets. The items are presented separately to allow a supplemental understanding of the Group's results.

Profit before tax

	31 March 2026 £'m	31 March 2025 £'m
Core operating profit[†]	62.8	56.7
Performance fee profit[†]	16.1	7.9
Other (expense)/income^	(0.2)	3.7
Share-based payments on preference shares	(1.8)	(1.9)
Exceptional items	–	(14.8)
Profit before tax	76.9	51.6
Core operating profit margin[†4]	32%	32%

^ A reconciliation to reported results is given on page 33.
4. This measure is calculated as core operating profit divided by net management fees.

The statutory profit before tax for the year has increased by 49% to £76.9m (2025: £51.6m) through a combination of higher average AuM resulting in improved core operating profits, higher performance fee profits and lower exceptional costs.

† The non-GAAP and alternative performance measures shown here are described on page 32 and reconciled on page 33.

Financial Review continued

The analysis of the three key components of profits shows that:

- **Core operating profit**
  Increased by 11% to £62.8m (2025: £56.7m) reflecting higher average AuM over the year and continued discipline around operating costs. Over time, we expect to grow core operating profit† as a proportion of the Group's total earnings and thereby reduce the volatility of total earnings due to performance fees.
- **Performance fee profit**
  Performance fee profits† were higher than the prior year and reflected the strong investment performance on certain specific strategies during the current year.
- **Other income**
  The decrease in other income was mainly due to realised and unrealised marked-to-market losses on the Group's seed portfolio net of hedging costs.

Earnings per share

Basic EPS increased by 66% to 60.6p during the year (2025: 36.6p) and diluted EPS increased by 64% to 59.2p (2025: 36.1p) while adjusted diluted total EPS†[1] increased year on year by 10% to 57.8p (2025 Restated: 52.6p). The effect of the adjustments made in arriving at the adjusted diluted total EPS†[1] and adjusted diluted core EPS†[1] figures of the Group is as follows:

(pence)	31 March 2026	31 March 2025 (Restated)[1]
Diluted earnings per share	59.2	36.1
Impact of share-based payments on preference shares	1.8	2.0
Impact of deferment, where staff compensation costs are deferred into future periods	(3.2)	(0.6)
Impact of exceptional items	–	15.1
Adjusted diluted total EPS†	57.8	52.6
Of which: performance fee profit and other income	11.4	9.6
Adjusted diluted core EPS†	46.4	43.0

Preference shares

A separate class of preference share has historically been issued by Polar Capital Partners Limited for purchase by each new team of fund managers on their arrival at the Group.

These shares provide each manager with an economic interest in the funds that they run and ultimately enable the manager to convert their interest in the revenues generated from their funds into equity in Polar Capital Holdings plc.

The equity is awarded in return for the forfeiture of their current core economic interest and vests over three years with the full quantum of the dilution being reflected in the diluted share count (and so diluted EPS) from the point of conversion.

The event has been designed to be, at both the actual and the diluted levels, earnings enhancing to shareholders.

In the year to 31 March 2026 there were no conversions of preference shares into Polar Capital Holdings plc equity (2025: one conversion).

As at 31 March 2026 five sets of preference shares (2025: five sets) have the ability to call for a conversion.

The call must be made on or before 30 November 2026 if any conversion is to take place with effect from 31 March 2026.

As indicated last year, no further preference shares are expected to be issued.

Balance sheet and cash

At the year end, the Group's cash and cash equivalents were £151.0m (2025: £121.8m), see Note 4.9 to the financial statements. In line with the Group's treasury policy, cash and cash equivalents are held across several UK banking counterparties on maturity terms ranging from 30 to 90 days. At the balance sheet date the Group also held £26.0m of investments in its funds (2025: £37.3m). See Note 4.5(a) to the financial statements.

† The non-GAAP and alternative performance measures shown here are described on page 32 and reconciled on page 33.

1 Comparative figures have been restated to correct the adjusted profit before tax figure used in the calculation for Adjusted basic and Adjusted diluted EPS. See Note 2 for further information.

Capital management

The Group believes in retaining a strong balance sheet. The capital that is retained in the business is used to seed new investment products, as a buffer for times of uncertainty, provide returns to shareholders through dividends and share buybacks and fund the EBT to buy Company shares to reduce the dilutive effects of Group share awards. Depending on the market outlook, and as the Group grows in size, the allocation of overall capital amongst these four categories may vary over time as we seek to balance returns to shareholders with the need to re-invest in the business for future growth.

As at 31 March 2026 £26.0m (2025: £37.3m) of the Group's balance sheet was invested to seed fledgling funds and during the year the Group advanced loans to the EBT of nil (2025: £0.5m) to buy shares in the Company.

In January 2026 the Group also announced its first share buy back programme to return up to £15.0m to the Company's shareholders via open market purchases of the Company's ordinary shares.

Effective 1 April 2026, the Board announces a revised shareholder return policy whereby, in normal circumstances, the Group expects to return at least 50% of adjusted core profits to shareholders through an ordinary dividend paid on a half-yearly basis. The first interim dividend, paid in January each year, will, in normal circumstances, be 50% of the first half's core profits. The Group aims to grow returns to shareholders over time through a combination of dividends and share repurchases. After taking account of future growth plans and investment requirements, excess performance fee profits and surplus capital will be returned to shareholders over time through special dividends or share repurchases, as determined by the Board, depending on prevailing market conditions.

As at 31 March 2026 the Group had surplus capital of £71.6m (2025: £65.1m) above its regulatory capital requirement of £26.0m (2025: £26.0m) and the August dividend commitment of £30.6m (2025: £30.9m).

Going concern

The Financial Reporting Council has determined that all companies should carry out a rigorous assessment of all the factors affecting the business in deciding to adopt a going concern basis for the preparation of the accounts.

The Directors have reviewed and examined the outcomes of financial and other processes embedded in the business, in particular the annual budget process and the financial stress testing inherent in the Internal Capital Adequacy and Risk Assessment (ICARA) process.

Based on this review and the significant liquid assets underpinning the balance sheet relative to the Group's predictable operating cost profile, the Directors consider that the adoption of a going concern basis, covering a period of at least 12 months from the date of this report, is appropriate.

Samir Ayub
Chief Financial Officer
30 June 2026

Alternative Performance Measures (APMs)

The Group uses the non-GAAP APMs listed below to provide users of the Annual Report with supplemental financial information that helps explain its results for the current accounting period. There have been no changes to the APMs compared to the prior year.

APM	Definition	Reconciliation	Reason for use
Core operating profit	Profit before performance fee profits, other income and tax.	Page 33	To present a measure of the Group's profitability excluding performance fee profits and other components which may be volatile, non-recurring or non-cash in nature.
Performance fee profit	Gross performance fee revenue less performance fee interests due to staff.	Page 33	To present a clear view of the net amount of performance fee earned by the Group after accounting for staff remuneration payable that is directly attributable to performance fee revenues generated.
Core distributions	Variable compensation payable to investment teams from management fee revenue.	Page 33	To present additional information thereby assisting users of the Annual Report in understanding key components of variable costs paid out of management fee revenue.
Performance fee interests	Variable compensation payable to investment teams from performance fee revenue.	Page 33	To present additional information thereby assisting users of the Annual Report in understanding key components of variable costs paid out of performance fee revenue.
Adjusted diluted total EPS	Profit after tax but excluding (a) cost of share-based payments on preference shares, (b) the net cost of deferred staff remuneration and (c) exceptional items which may either be non-recurring or non-cash in nature, and in the case of adjusted diluted earnings per share, divided by the weighted average number of ordinary shares.	Page 30 Note 3.8	The Group believes that (a) as the preference share awards have been designed to be earnings enhancing to shareholders (see page 30) adjusting for this non-cash item provides a useful supplemental understanding of the financial performance of the Group, (b) comparing staff remuneration and profits generated in the same time period (rather than deferring remuneration over a longer vesting period) allows users of the Annual Report to gain a useful supplemental understanding of the Group's results and their comparability year on year and (c) removing non-cash amortisation and impairment of goodwill and intangible assets provides a useful supplemental understanding of the Group's results.
Adjusted diluted core EPS	Core operating profit after tax excluding the net cost of deferred core distributions divided by the weighted average number of ordinary shares.	Page 30	To present additional information that allows users of the Annual Report to measure the Group's earnings excluding those from performance fees and other components which may be volatile, non-recurring or non-cash in nature.
Core operating profit margin	Core operating profit divided by net management fees revenue.	Page 29	To present additional information that allows users of the Annual Report to measure the core profitability of the Group before performance fee profits, and other components, which can be volatile and non-recurring.
Net management fees	Gross management fees less commissions and fees payable.	Page 28	To present a clear view of the net amount of management fees earned by the Group after accounting for commissions and fees payable.
Net management fee yield	Net management fees divided by average AuM.	Page 28	To present additional information that allows users of the Annual Report to measure the fee margin for the Group in relation to its assets under management.

Summary of non-GAAP financial performance and reconciliation of APMs to reported results

The summary below reconciles key APMs the Group measures to its reported results for the current year and also reclassifies the line-by-line impact on consolidation of seed investments to provide a clearer understanding of the Group's core business operation of investment management.

Any seed investments in newly launched or nascent funds, where the Group is determined to have control (see Note 2.2), are consolidated. As a consequence, the statement of profit or loss of the fund is consolidated into that of the Group on a line-by-line basis. Any seed investments that are not consolidated are fair valued through a single line item (other income) on the Group consolidated statement of profit or loss.

		Reclassifications				
	2026 reported results £'m	Reclassification on consolidation of seed investments £'m	Reclassification of costs £'m	2026 Non-GAAP results £'m	2025 Non-GAAP results £'m	
Investment management and research fees	232.6	–	–	232.6	206.1	
Commissions and fees payable	(35.7)	–	–	(35.7)	(27.8)	
	196.9	–	–	196.9	178.3	Net management fees
Operating costs	(151.6)	0.3	76.3	(75.0)	(70.8)	
Finance costs	(0.2)	–	–	(0.2)	(0.2)	
			(58.9)	(58.9)	(50.6)	Core distributions
	45.1	0.3	17.4	62.8	56.7	Core operating profit
Performance fees	31.7	–	–	31.7	16.0	
Performance fee interests	–	–	(15.6)	(15.6)	(8.1)	Performance fee interests
	31.7	–	(15.6)	16.1	7.9	Performance fee profits
Other (expense)/income	0.1	(0.3)	–	(0.2)	3.7	
Exceptional items	–	–	–	–	(14.8)	
Share-based payments on preference shares	–	–	(1.8)	(1.8)	(1.9)	
Profit for the year before tax	76.9	–	–	76.9	51.6	

Sustainability Report

Introduction

The past year has again been defined by a changing and increasingly complex sustainability landscape. Regional divergence, particularly between the US and the UK and Europe, has shaped market sentiment. While political and regulatory scrutiny has intensified in some areas, we believe client expectations for our responsible investment and stewardship practices have remained relatively consistent. Clients continue to expect robust responsible investment practices, clear ESG integration, and meaningful stewardship where additive to the investment process.

Polar Capital has remained focused on a pragmatic and authentic approach to sustainability. We continue to prioritise investment performance while embedding responsible investment practices that are relevant, decision-useful, and aligned with our clients' long-term objectives.

While regulatory pressures have decreased relative to previous years, there have been a number of developments affecting Polar Capital.

In the UK, the UK Stewardship Code was revised and published by the Financial Reporting Council (FRC) in June 2025 and effective from January 2026. This is a welcome change, focusing reporting on engagement outcomes and stewardship activities rather than process and policies. The FCA's Sustainability Disclosure Requirements (SDR) continue to develop, with entity-level disclosures now required for larger managers and work ongoing on fund labelling. We continue to await further guidance on the treatment of European-domiciled funds, which make up the majority of our product range. The SDR's impact on Polar Capital at product-level is limited to our investment trusts, though the broader anti-greenwashing rules apply to all funds. In Europe, progress on the Sustainable Finance Disclosure Regulation (SFDR) 2.0 continues and this is expected to introduce revised product categories and minimum exclusions, though the timing and detail of this regulation is still unclear.

In the US, there has been executive action to reduce the influence of proxy advisers. We continue to use Institutional Shareholder Services (ISS) as our proxy adviser and default reference point for voting research, while maintaining investment team discretion to override recommendations where they judge this to be in the fund's best interests. We will monitor developments in this area and their practical implications for our voting process.

The suspension of the Net Zero Asset Managers Initiative (NZAM) in early 2025 influenced ongoing internal discussion within our Sustainability Committee and at Board level on our approach to net zero commitments.

The Board has continued to discuss the merits and challenges of making a firm-level net zero commitment, acknowledging client expectations while recognising the complexity of doing so credibly across strategies – particularly in high-growth areas such as technology where long-term visibility on alignment is limited. We also continue to monitor the Science Based Targets initiative's (SBTi) developments on target setting guidance and incorporate these into our discussions.

Responsible Investment

Responsible investment and stewardship remain important parts of our investment teams' investment approaches. Despite evolving narratives around ESG, we believe that for the most part, the underlying expectations from our clients remain consistent. There is continued demand for robust and evidencable ESG integration and risk management, screening, active ownership through engagement and voting, and transparency and reporting.

During the year, we have continued to enhance our stewardship activity, evolving from primarily fund-specific engagements towards more proactive, thematic activity – coordinated both internally across investment teams and externally through collaborative initiatives. We believe this approach increases the impact of our stewardship while remaining authentic to our decentralised, specialist investment model, supported by the central Sustainability team.

We have also further refined our climate strategy to place greater emphasis on portfolio alignment and outcomes-driven stewardship, rather than focusing solely on target-setting initiatives. We enhanced our proprietary net zero alignment assessment methodology, based on the Net Zero Investment Framework (NZIF) and internal research, to improve consistency of analysis and support engagement activity.

The below initiatives illustrate examples of this engagement strategy and broader shift towards coordinated engagement:

- **Climate Action 100+:** We continued as co-lead engager on Reliance Industries. Reliance is undergoing a significant strategic transition from its petrochemicals heritage towards renewable energy, new materials and hydrogen. Our engagement has focused on governance of the transition, capital allocation for renewable businesses and the credibility and pace of the company's decarbonisation strategy.
- **IIGCC Net Zero Engagement Initiative (NZEI):** We have continued our participation in this initiative, which focuses on investor engagement with companies to accelerate net zero alignment. During the year, we led an engagement with a large healthcare company with significant operational emissions and a complex supply chain, which presents transition risk and engagement opportunity.

- **UN PRI Spring Initiative:** Through this collaborative programme focused on strengthening stewardship for sustainability outcomes, we have engaged with Contemporary Amperex Technology (CATL) on biodiversity and supply chain risks, alongside a broader investor group. During the year, this engagement continued to develop, with the group presenting findings to company management on CATL's biodiversity governance and the need for more systematic disclosure and science-based targets aligned with the Taskforce on Nature-related Financial Disclosures.
- **Access to Medicine Foundation (ATMF):** During the year, we joined the Access to Medicine Foundation investor network, reflecting the significance of healthcare access themes to our Healthcare and Emerging Markets investment teams. This partnership supports engagement with pharmaceutical and healthcare companies on the accessibility and affordability of medicines in lower-income markets, an issue that is financially material for companies operating in these segments and increasingly important to our clients.

Corporate Sustainability

At a corporate level, our focus remains on improving environmental performance in a practical and proportionate way. We continue to monitor and manage our operational emissions while recognising that the majority of our impact is through our investment portfolios.

Streamlined Energy and Carbon Reporting (SECR) Regulation

While the majority of our climate exposure arises from our investments, we remain mindful of our operational footprint. As an initial step towards long-term decarbonisation, we have committed to reducing our operational emissions across Scope 1 and 2 in line with a science-based trajectory, targeting at least a 42% absolute reduction by 2030 from our chosen baseline year of FY2024.

In addition to SECR requirements, we comply with the Energy Savings Opportunity Scheme (ESOS) regulation. As part of this scheme, we submitted our ESOS Progress Update on 5 December 2025, outlining progress we have made on improving energy efficiency across our operations.

The following statement has been prepared in accordance with our regulatory obligation to report greenhouse gas (GHG) emissions and energy consumption under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implement the government's policy on Streamlined Energy and Carbon Reporting:

GHG boundary and methodology

Each year, we quantify and report our Scope 1 and 2 GHG emissions in line with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and Scope 2 Guidance. In addition, we voluntarily disclose selected Scope 3 emissions in accordance with the GHG Protocol Scope 3 Standard. These include material categories such as capital goods, business travel, waste disposal, employee commuting and remote working, and fuel and energy-related activities (FERA) not included in Scope 2.

Our reporting boundary follows the operational control approach, capturing emissions from sources over which we have direct operational influence. Where data gaps exist, we use reasonable estimation methods, including extrapolation from prior-year data or available proxies.

During the year, we onboarded a new GHG reporting platform for operational emissions. This solution provides a centralised, end-to-end system for data collection, calculation and reporting, improving consistency, auditability and efficiency compared to our previous process. It also provides a stronger foundation to expand our reporting over time, including the potential inclusion of additional Scope 3 categories such as Purchased Goods and Services (Scope 3.1).

As a result, we have improved the granularity of our operational emissions data, notably in categories such as capital goods and business travel, where we have, in part, transitioned from spend-based to activity-based data to calculate GHG emissions. Further progress is expected in future reporting cycles as data availability and methodologies continue to improve.

	31 March 2026[1]			31 March 2025		
Energy, kWh	**UK**	**Rest of world**	**Total**	UK	Rest of world	Total
Scope 1 fuels	13,564	457	14,021	201,234	519	201,753
Scope 2 electricity (location-based)	185,183	64,529	249,712	205,765	65,353	271,118
Total Scope 1 & 2	198,747	64,986	263,733	406,999	65,872	472,871

1 Due to challenges in obtaining updated electricity data for the Tampa office, prior-year data was used as a proxy. Given the size of the Tampa office, this does not represent a significant portion of our total emissions.

Sustainability Report continued

Corporate Sustainability continued

At this stage, we have not yet included Scope 3 emissions from purchased goods and services due to data limitations and calculation complexity.

Certain subcategories of emissions are excluded from our GHG inventory where they are not material to Polar Capital's operations. These exclusions generally relate to activities not representative of a financial services business. For example, category 3.12 covers emissions from the end-of-life treatment of sold products, an area not applicable to Polar Capital, given our service-based operating model. Accordingly, emissions from these sources are not included in our inventory.

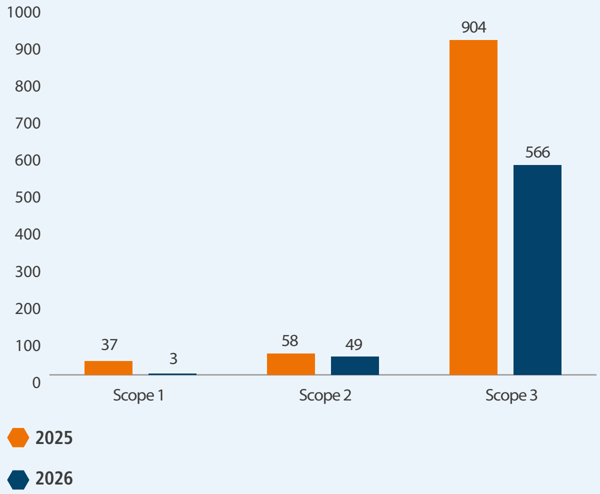
GHG performance and energy efficiency actions

During the year from 1 April 2025 to 31 March 2026, our global measured Scope 1 and 2 greenhouse gas emissions on a location-based basis totalled 52 tCO_2e, including 3 tCO_2e of Scope 1 emissions from our offices. The selected categories of Scope 3 emissions measured totalled 566 tCO_2e, representing more than 90% of the Group's total known location-based emissions. Taken together, reported emissions across all disclosed scopes decreased by 38% compared with financial year 2025.

This reduction was driven primarily by the completion of the retrofit programme at our London headquarters and lower business travel emissions, although a significant portion of the year-on-year business travel movement reflects the transition from spend-based to more granular activity-based data for measurement.

Total CO_2e emissions (tonnes)

618 (2025: 999)



Our landlord in the UK, Land Securities, has now completed the replacement of gas-powered heating and cooling systems with electric alternatives, and no gas has been consumed at the site since the second half of 2025. This contributed to the material reduction in Scope 1 emissions, which fell by approximately 92% year-on-year.

GHG emissions, tCO_2e	31 March 2026 UK	31 March 2026 Rest of world	31 March 2026 Total	31 March 2025 UK	31 March 2025 Rest of world	31 March 2025 Total
Scope 1	3	–	3	37	–	37
Scope 2: location-based	33	16	49	43	15	58
Scope 2: market-based	–	16	16	–	15	15
Total Scope 1 & 2: location-based	36	16	52	80	15	95
Total Scope 1 & 2: market-based	3	16	19	37	15	52
Scope 3 (optional reporting)	N/A	N/A	566	N/A	N/A	904
3-2: Capital goods	N/A	N/A	36	N/A	N/A	58
3-3: Fuel and energy-related activities	N/A	N/A	16	N/A	N/A	31
3-5: Waste generated in operations	N/A	N/A	1	N/A	N/A	1
3-6: Business travel	N/A	N/A	444	N/A	N/A	716
3-7: Employee commuting	N/A	N/A	69	N/A	N/A	98
Total all scopes (location-based)	N/A	N/A	618	N/A	N/A	999
Total all scopes (market-based)	N/A	N/A	585	N/A	N/A	956
Intensity ratio per £m net income^	N/A	N/A	0.2	N/A	N/A	0.5
Intensity ratio per FTE^	N/A	N/A	0.3	N/A	N/A	0.5

^ Scope 1 & 2 location-based emissions

Our London office, which hosts more than 80% of our global workforce, continues to be supplied with certified 100% renewable electricity from SmartestEnergy.

Year-on-year comparisons should be interpreted with some caution, as the reduction reflects both underlying performance improvements and changes in methodology. Our new GHG reporting platform applies updated emissions factors from sources including DEFRA, the IEA and Base Carbone, which in some cases differ from the factor vintages used by our previous provider. Lower grid electricity emissions factors, particularly in the UK, also contributed to lower reported emissions. In addition, improvements in data quality and granularity have affected comparability across periods. In particular, for categories such as business travel and capital goods, we have started to move from spend-based to activity-based data. Activity-based methodologies are considered more accurate as they are based on the underlying activity (e.g. distances travelled or assets purchased), whereas spend-based methodologies estimate emissions from expenditure and can be influenced by factors such as inflation and pricing. As a result, spend-based approaches tend to overestimate emissions, meaning that year-on-year changes partly reflect methodological improvements rather than solely changes in underlying activity levels.

Social responsibility and charitable giving

We believe we have a responsibility to make a positive impact on the environment and the communities in which we live. Each year we support charities that are important to members of staff and the business, funded from our annual core operating profit.

During the year, the Group continued to support a broad range of charitable initiatives, with financial contributions made to over 20 charities. Our focus remains on areas where we believe our support can have a meaningful impact, including environmental restoration, community support, health and wellbeing, and education.

We maintain a number of ongoing partnerships, reflecting our preference for long-term engagement where we can support sustained impact over time, such as Heal Rewilding, the Polar Capital Aspire Scheme (PCAS), and the Polar Academy.

Employees are encouraged to nominate charities and to participate in giving. In addition to financial contributions, our employee volunteering scheme enables staff to take up to two days of leave per year to support charitable causes.

In the financial year ending 2027, the Group will continue its commitment to contribute up to 1% of annual core operating profit to charitable initiatives.

Polar Capital Aspire Scheme (PCAS)

We have continued our support for the Polar Capital Aspire Scheme (PCAS), launched in partnership with Westminster City School to support students pursuing further education. During the year, we continued to provide bursaries and mentorship to participating students, supporting both their academic development and broader career awareness. The programme remains an important part of our commitment to improving access to opportunities and supporting the local community.

Heal Rewilding

We continued our support for Heal Rewilding, a UK-based charity focused on restoring nature, enhancing biodiversity and delivering community-based environmental projects. During the year, Heal progressed work at its Somerset site, including habitat restoration initiatives and the development of wetland and water system projects aimed at improving biodiversity and restoring natural processes.

The organisation has also begun implementing a more structured approach to biodiversity monitoring, establishing an initial baseline of species across the site to support long-term measurement of ecological recovery. Alongside environmental work, Heal has expanded its education and community engagement activities, including partnerships with local schools.

Polar Academy

We have continued our support for the Polar Academy, a programme that works with young people facing significant challenges, using an Arctic expedition as the focal point of a structured development journey. Participants undertake a year-long programme focused on resilience, confidence and teamwork, culminating in an expedition to the Arctic. The programme continues to deliver tangible personal development outcomes for participants, supporting long-term confidence and life skills.

Industry engagement

We continue to support industry initiatives aimed at improving diversity and inclusion within the investment industry, including participation in programmes associated with the Diversity Project.

Sustainability Report continued

Our People

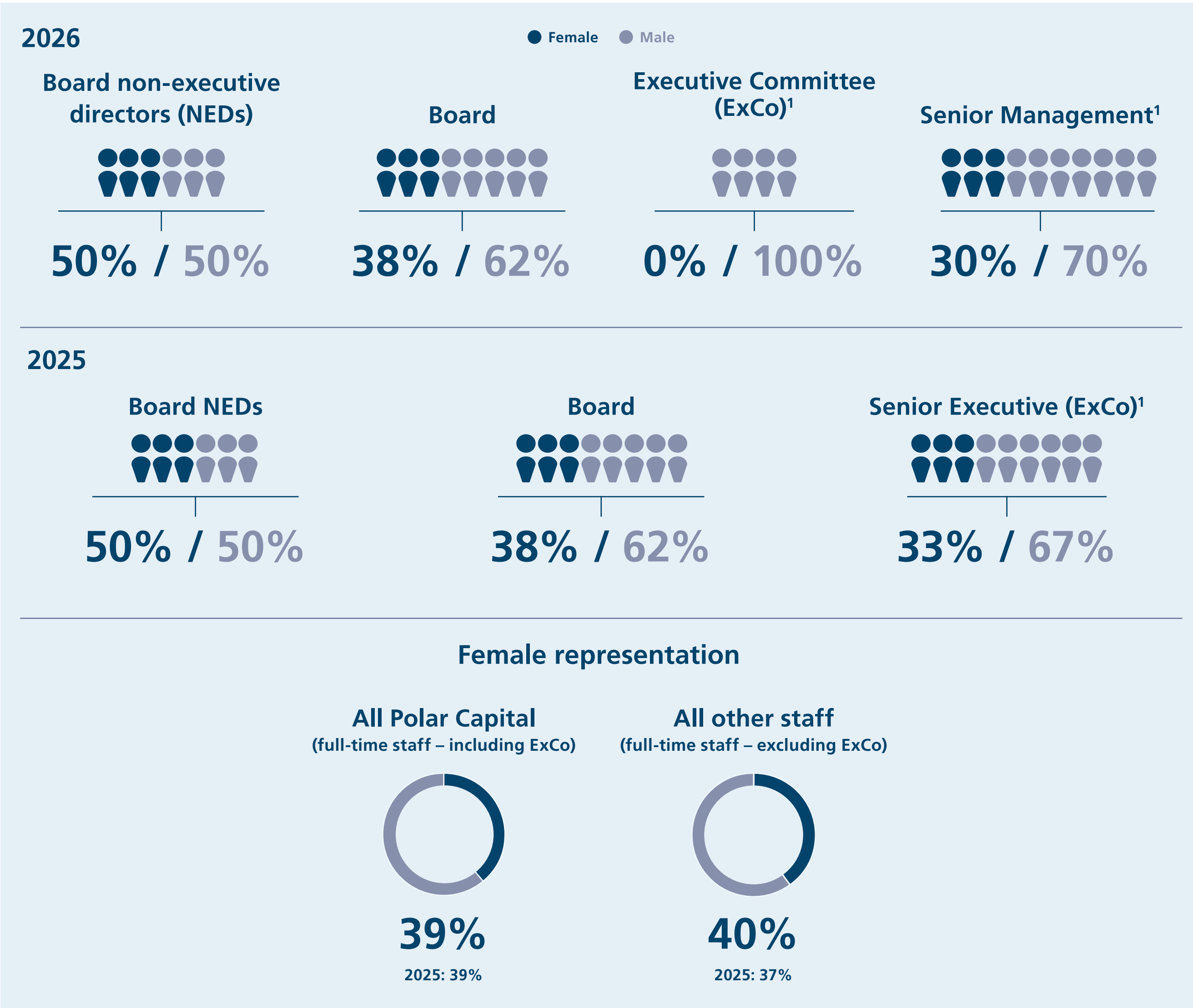
Polar Capital is proud of its culture which is underpinned by the people within the Group. Our people are the heart of our business and attracting and retaining key talent is of utmost importance to the Group. We achieve this by providing a supportive and inclusive working environment, with an open-door policy, focussing on workforce wellbeing and establishing a diverse culture, where rewards are based on merit and opportunities are given for personal development.

Diversity and inclusion

We believe a diverse and inclusive workplace allows us to achieve the best for our business and our clients. We actively promote a culture which enables our employees to be comfortable in themselves and to flourish in their role. We are committed to ensuring our workforce is representative of the society we live in and that all voices and perspectives are heard.

We are an equal-opportunities employer, and our staff is made up of a mix of genders, backgrounds and nationalities. We aim to ensure that nobody receives less favourable treatment on any grounds, including gender, sexual orientation, disability, background or race.

The Group's staff (including the Board) were broken down on a gender basis as follows:



[1] With the appointment of Iain Evans as CEO in September 2025, a new leadership structure was established with a smaller Executive Committee group and expanded Senior Management team, therefore, the Executive Committee and Senior Management figures are not directly comparable with prior year Senior Executive (Exco) data.

Staff training and turnover

Staff development and training are important contributors to our organisation's effectiveness. By building knowledge and supporting individual performance, training can help improve productivity, strengthen engagement, and support motivation and retention over time.

Training and development opportunities may include:

- On-the-job training: delivered through coaching, mentoring, and job-shadowing, to ensure employees gain the necessary practical skills and knowledge.
- Formal training: identified through regular performance evaluations and in line with business requirements, which may include external courses, professional qualifications, or workshops.
- A formal appraisal process takes place annually, during which employees are encouraged to discuss any training and development needs or suggestions with their line manager.

Total staff turnover for the 12 months to March 2026 was 12%, voluntary turnover was 7% (2025: 11%, 8%).

Outlook

Looking ahead, we expect the sustainability landscape to remain dynamic, with continued increase in disclosure and compliance requirements, particularly in the UK and Europe, coupled with associated regulatory scrutiny. These developments will require ongoing adaptation, and we will remain focused on responding in a way that is proportionate and efficient, ensuring that regulatory obligations are met without creating unnecessary burden on investment teams.

We will continue to prioritise approaches that enable investment teams to focus on the most material sustainability risks and opportunities within their portfolios, and for our clients. We remain confident that the core expectations of our clients will remain consistent. There is a continued focus on investment outcomes, supported by robust ESG integration and effective stewardship.

Our priority is to continue evolving our approach in a way that is aligned with our investment philosophy, supports our clients, and remains authentic to Polar Capital.

Risk Management

The principal risks and uncertainties facing the Group are addressed through a risk management framework that provides a structured process for identifying, assessing and managing risks associated with the Group's business objectives and strategy.

Risk Governance

The Board is, ultimately, responsible for the ownership of the Group's Risk Management Framework. In doing this, it sets the "tone from the top". It is responsible for approving, reviewing and having oversight over the Group's risk appetite and reviewing reports to monitor the Group's risk and control profile and effectiveness of the risk management framework and internal control systems.

Audit and Risk Committee ('ARC')

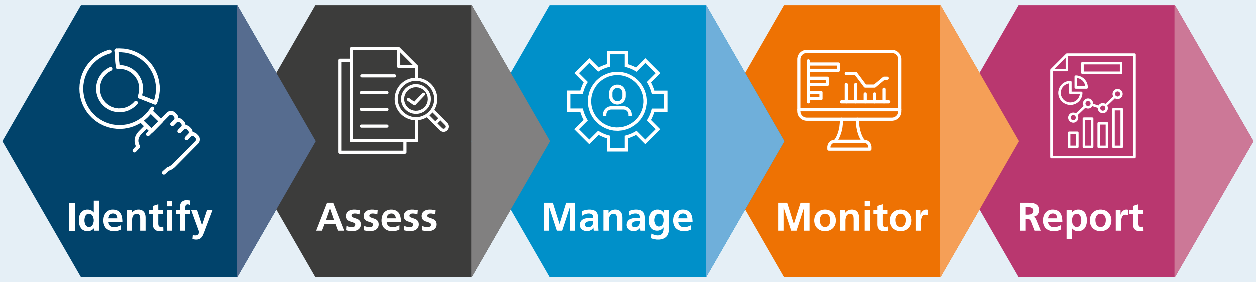
The Board delegates responsibility for risk management to the ARC who enables the Board to fulfil its oversight responsibilities. This includes detailed review and challenge of the Group's Risk Management Framework and Risk Appetite Statement.

Group Risk Committee ('GRC')

On a day-to-day basis, the ExCo delegates to the GRC, who is tasked with oversight of the Risk Management Framework.

Risk Management Framework

The Group's risk management framework is based on the following pillars and provides support to the Board in order for them to understand, identify, measure, manage and mitigate risks to which the Group is exposed.



Risks may be identified through various sources, including by risk and control self-assessments, internal or external incidents, industry developments, and findings from internal or external audit reviews

Risks are assessed based on the likelihood of occurrence and their potential impact

Controls are designed and used to manage a risk within its risk appetite and eliminate or reduce the potential impact and likelihood of a specific risk related event

Risks are monitored to evaluate the Group's risk profiles over time versus the established tolerance levels

All significant risks and issues are reported to the GRC, the ARC and the Board as appropriate

Risk Appetite

A fundamental part of the Board's duties is to determine the Group's key risks and associated appetites, as well as the tolerance levels within which the Group must operate for these risks. Risk appetite levels range from Low to High, according to whether the Group actively avoids or is willing to accept a given risk. As a business, we have a low appetite for risks that could cause harm to our customers or damage our operational integrity and reputation.

Risk and Control Assessment

The risk and control self-assessment (RCSA) programme ensures that the first line of defence is aware of and can manage their own risks within the tolerances of the Group's risk appetite.

During the year, the majority of business units in the first line of defence have formally documented RCSAs for their key risks, providing complete risk and control catalogues across the organisation.

Completed RCSAs are subject to an annual review to ensure that emerging risks and changes to existing risk profiles are identified and reflected in a timely manner. Outputs are reported to the GRC and ARC, as appropriate.

Emerging Risks

The Group also looks to monitor and respond to emerging risks that may arise from factors in the markets it operates in, changes in investor demand and the impact of technological change on the financial services industry, as well as its internal environment.

First line of defence

The first line of defence is the business units that are primarily responsible for the day-to-day running of the Group's core activities. They are responsible for implementing and embedding controls in their key processes that mitigate and manage their risks, as well as monitoring their risks and controls.

Second line of defence

The Group's second line of defence is responsible for setting the framework through which the first line of defence should manage their risks. This includes providing challenge and oversight to ensure that risk management is aligned with organisational goals. The second line of defence is the Compliance, Operational Risk and Portfolio Risk teams.

Third line of defence

Review and oversight is performed by the outsourced internal audit function. Internal audit provides an independent, objective review and assessment of the adequacy of internal control arrangements in place to manage the risks that Polar Capital faces in seeking to achieve its objectives. It objectively examines, evaluates and reports on the adequacy of the control environment, as a contribution to the proper economic, efficient and effective use of resources and the management of risk.

Risk Management continued

Key risks and reporting

The following section outlines our assessment of the key risks facing the Group, including how their significance has evolved during the financial year and the measures in place to mitigate them.

Strategy & business model risk

Description

Failure to deliver against the Group's strategic goals and disruption to the business model from external factors such as technological, regulatory and legislative changes could lead to lower AuM and revenues generated.

Assessment

No change in risk

Mitigation

The Board reviews the business strategy periodically and considers whether management's business plans and targets are aligned with the delivery of the Group's strategic goals. During the current financial year, a full strategy review was carried out by the ExCo and the Board.

Shift in culture risk

Description

A shift away from culture over time could erode the ability to support the effective execution of our strategic goals.

Assessment

No change in risk

Mitigation

The Group believes building and maintaining our distinct culture as well as providing a positive working environment is vital to the future success of our business and the engagement and retention of its key staff.

To safeguard our culture, the Group reinforces its collegiate and meritocratic values throughout the organisation through its leadership, recruitment, people development and performance management processes. Cultural fit and alignment with the Group's values are important considerations in the recruitment process, while leadership training and coaching programmes support senior managers and future leaders.

Fund manager retention risk

Description

The Group has a number of key fund managers whose loss could result in significant investor redemptions from the funds they manage and loss of revenue to the Group.

Assessment

No change in risk

Mitigation

Through a combination of culture, team support and providing each team with an economic interest in the success of their funds and the overall business, the Group offers a highly attractive environment for investment professionals.

The Group maintains succession plans for its flagship strategies and by diversifying the business and assets under management across more investment teams the fund manager retention risk can be reduced.

No change in risk   Increase in risk   Decrease in risk

Sustainability risk

Description
Failure to effectively manage the risks that arise from ESG factors could result in financial, reputational and/or regulatory harm to the Group.

Assessment

Mitigation
Our investment teams lead the implementation of their ESG processes, with support from the central sustainability team.

ESG monitoring is an integral part of the sustainability team's oversight process. The team conducts ongoing reviews of each investment team, supplemented by formal periodic assessments, which address any issues identified through the monitoring process.

Market risk

Description
The Group is subject to risk from volatility in global equity markets and therefore, macroeconomic conditions and events could adversely affect the business.

Assessment

Mitigation
Our investment strategy primarily focuses on Long Only Equity funds, making market risk an inherent aspect of our approach and a key driver of potential returns.

As active managers, we have greater flexibility to respond to market fluctuations and position our portfolios accordingly, leveraging the expertise of our experienced investment teams to navigate and capitalise on market events. The Group also maintains a strong balance sheet with no debt to ensure it is able to respond to market shocks.

Fund performance risk

Description
Poor fund performance could lead to outflows of AuM and consequent damage to the financial position of the Group.

Assessment

Mitigation
Clearly defined investment processes exist to enable outperformance to be delivered within agreed investment mandates.

The Chief Investment Officer (CIO) and Group risk function carry out regular oversight and reviews of the investment management teams and their underlying portfolios. The GRC reviews analyses compiled by the Group risk function relating to portfolio structure, exposure, concentration, performance and liquidity risks.

No change in risk   Increase in risk   Decrease in risk

Risk Management continued

Cybersecurity risk

Description

The probability of exposure or loss resulting from a cyber-attack or data breach could result in significant loss or harm to the technical infrastructure, use of technology or reputation of the Group.

Assessment

→

Mitigation

The Group has implemented IT policies and procedures to ensure best practice controls over cybersecurity.

The Group has an established Cybersecurity Committee comprising members of senior management who ensure that policies, procedures and the Group's control environment remain relevant and appropriate to the risk landscape.

Disaster recovery plans ensure that data and systems are backed up regularly, retained offsite and regularly tested for recoverability.

Regular training also ensures that staff remain cognisant of potential cyber security threats.

Reputational risk

Description

The Group's reputation is one of its most important assets since it operates in an industry where integrity, customer trust and confidence are paramount. The risk that this reputation is harmed, resulting in a negative perception of Polar Capital from our stakeholders is a key risk to the Group.

Assessment

→

Mitigation

The Group maintains a strong culture of conduct and compliance, underpinned by regular training and clear behavioural expectations. We have established frameworks and controls that address key areas which could give rise to reputational harm, including around client onboarding, product development, investment risk, conduct, and regulatory compliance.

Reputational risk awareness has been embedded across the business and considered in a significant amount of first line risk assessments.

Operational risk

Description

If any of the Group's data processing systems and internal processes do not operate properly, are disabled or fail due to human error, or if the Group is unable to operate critical business services, including outsourced third party services, the Group could suffer financial loss, business disruption, liability to clients, regulatory sanction and damage to its reputation.

Assessment

→

Mitigation

The Group's core businesses have disaster recovery plans in place covering current business requirements, which are tested annually to ensure an appropriate level of resilience in the day-to-day operations and minimise the risk of severe disruption occurring.

The first line of defence is responsible for assessing its processing risks and implementing controls to mitigate the risk.

The Group performs oversight procedures on third-party providers at least annually.

→ No change in risk ↑ Increase in risk ↓ Decrease in risk

Regulatory risk

Description
Failure to comply with regulations in the jurisdictions in which it operates, particularly those issued by the Financial Conduct Authority or the London Stock Exchange, could result in the Group losing the ability to operate as a regulated financial services business or its AIM quotation being suspended or withdrawn. This can also result in damage to the Group's reputation.

Assessment
→

Mitigation
The Group reviews regulatory updates on an ongoing basis from all relevant regulatory authorities and works alongside third parties including legal advisers, compliance consultants and investment trade bodies.

The Group has recently implemented a Horizon Scanning process to identify and respond to emerging regulatory change at the earliest priority.

→ No change in risk ↑ Increase in risk ↓ Decrease in risk

Directors' Duties and Section 172 Statement

The Board recognises its duties to act in accordance with the Companies Act 2006. These include a fundamental duty to promote the success of the Company for the benefit of its shareholders, while having regard to other matters as set out in S172 (1) of the Act.

The Board fulfils its duties in collaboration with the executive and senior management team, to which day-to-day management has been delegated, and through the application of the corporate governance framework as set out on pages 56 to 65. The following overview provides further insight into how the Board has discharged their duties in engaging with key stakeholders. Page 49 sets out examples of how the Board has considered key stakeholders as part of its focus during the year.

Stakeholder group

Clients

Our clients are the people and firms that invest in our funds or engage us to manage their funds. Our goal is to help them achieve their long-term investment objectives.

How we engage with them

Our client services, distribution, investment management, corporate secretariat, and operations teams all maintain contact with our clients through meetings, presentations and an annual investor conference.

During the year 2,956 client engagements were held, in 1,299 of which, a fund manager was present. The Board receive a report on distribution and client servicing at each Board meeting.

Additionally, the Chair, CEO and CFO meet with the chairs and board members of the client funds to update them on the Group, receive feedback on service provided by functional areas of the Group and share with them experience in matters of a regulatory or other nature.

Shareholders

The ongoing support and engagement of our shareholders is vital in helping us deliver our long-term strategic objectives and grow the business.

How we engage with them

Investor meetings are arranged each year after the annual and interim results to allow the CEO and the CFO to meet with potential and existing shareholders and discuss the performance of the Group.

Our 2025 AGM was held at our offices in London and was open for shareholders to attend in person. All voting was carried out through a poll and the final votes were disclosed on the London Stock Exchange and the Company's website following the meeting, showing a comfortable majority in favour of each resolution. The 2026 AGM will be held in person in September 2026 and shareholders will again be able to engage directly with the Board and members of the senior management team.

The Chair contacts, and is available to meet, major shareholders without the Executive Directors present to permit direct feedback. Throughout the year, the Chair is also available to meet with shareholders, voting agencies and other interested parties regarding governance or other matters pertinent to the management of the Board and/or the Group.

People

Our people continue to be our most valuable asset and the ability to attract, retain, develop and motivate the right people is critical to our current business needs and plans for growth.

How we engage with them

The Board and senior management engage with staff and fund managers regularly through various methods including management communications, company meetings and presentations. An open-door culture is fostered where staff are encouraged to interact with all levels in the business.

The Board and the ARC also engage regularly and meet with the Executive Committee who are responsible for the day-to-day management of the Company.

The Diversity and Inclusion (D&I) Committee meets regularly and has been key in promoting events, activities, and initiatives for the mental and physical wellbeing of the people within, and connected to, the organisation. These measures have continued both in terms of business and training opportunities but also social functions which take place throughout the year to ensure the regular interaction of all staff irrespective of any individual hybrid working arrangements.

Periodic staff satisfaction and diversity surveys are carried out and all staff members have an appraisal with their line or senior managers, which provide staff the chance to give and receive written and verbal feedback as well as providing the opportunity to discuss roles and potential progression. These meetings can also be used to enable views to be shared on the wider business including raising any concerns.

External service partners

Our external service partners include third-party service providers such as our fund administrators and other key suppliers. Their services and support are vital in helping us deliver on our core competency of investment management.

How we engage with them

Each area of the business has responsibilities for the day-to-day contact with our external service partners. Key individuals are responsible for the relationship management of service partners reporting to their area. For example, our Head of Operations and the wider Operations team are responsible for engagement with our third-party administrators, while our Head of Client Services and the Client Services team are responsible for engagement with the third-party distributors and platforms. Regular meetings with representatives of the service providers and members of our senior management team are also held to ensure engagement at the executive level.

The service partner due diligence meetings are held in person with hybrid flexibility. Where appropriate these include process reviews connected to changes made in working practices or regulatory requirements.

The ARC, as part of operational resilience, reviews management reports on outsourced service providers on an annual basis.

Directors' Duties and Section 172 Statement continued

Society and environment

We recognise our responsibility to ensure a wider contribution to society and a positive impact on the environment.

How we engage with them

The Group exercises stewardship of the assets it invests on behalf of its clients and is a signatory to the UK Stewardship Code. Corporate responsibility is also discharged by ensuring that fund management teams engage on ESG matters with the companies in which they invest.

The Group attempts to deliver a positive impact in local communities, by way of its annual charity contributions. All Group staff are invited to participate in the allocation of charity contributions. The Group also runs the Polar Capital Aspire Scheme (PCAS) in partnership with Westminster City School, see page 37 for more details.

The Group encourages staff to volunteer their time and effort through a formal volunteering leave policy. A payroll-giving arrangement is also available.

The Board considered ESG development, and the Group's approach to ESG is set out on pages 34 to 39.

Regulators and state authorities

The Group operates in several global locations and is therefore subject to the oversight of various regulators and state authorities across those locations.

How we engage with them

We engage with our regulators and relevant state authorities, primarily through the Group's compliance and finance functions, by way of regular mandatory reporting as well as any ad hoc interactions as required by evolving regulatory requirements.

The ARC and the Board receive regular reports from the Group Compliance and Legal Officer and Risk Manager, on the Group's regulatory processes and procedures, its risk management framework and its interaction with regulators in various jurisdictions. Reports are also provided by the Group Company Secretary on corporate governance and updates to best practice.

Stakeholder interests

Stakeholder interests are a focus across all levels of the organisation, and guided by the Board, our culture, values, governance framework, code of conduct and training all help to support these. The Board considers information from across the Group and considers stakeholders in its decision making.

It should be understood that stakeholders can have different, and at times conflicting, interests, priorities and views, which the Board need to consider. Where possible these views are balanced within the wider duty of the Board to promote the long-term sustainable success of the Group. However, it is accepted that not all decisions can deliver the desired outcomes for all stakeholders.

During the year when considering any principal decisions, the Board has focused on how such decisions relate to the key stakeholders (as set out on pages 46 to 49) while maintaining a reputation for high standards of business conduct and governance and the need to act fairly between the shareholders of the Company.

Considerations and outcomes	Stakeholder group considered
Over the year, the Board (via the Nomination Committee) considered the succession of the CEO which was finalised with the formal appointment of Iain Evans in September 2025. In assessing succession options and selecting a suitable candidate, the Board considered the skills, experience and leadership capabilities required to deliver the Company's strategy, the need to preserve stability during any transition period and the importance of appointing a candidate who would uphold the Company's culture and values. The Board considered both internal and external candidates as part of this process, recognising the value of developing internal talent while also surveying the broader market. Throughout, the Board remained mindful of the importance of preserving the Company's culture and values and remained focused on considering the interests of shareholders, employees and other key stakeholders.	Clients Shareholders People
Following the CEO succession, the Board met with the Executives and took the opportunity to re-assess the Group's strategy to ensure it remained appropriate for the business, changing market conditions, and the needs of its stakeholders over the long term. This included reviewing the Group's strategic priorities in light of the growth ambitions. A revised strategic plan was agreed in 2026 and the Board will continue to monitor the delivery of the strategic priorities closely to ensure the strategy remains aligned with the Group's objectives, current and potential future market conditions, regulatory requirements and investor needs.	Clients Shareholders People Regulators and state authorities
The Board considered developments in artificial intelligence and the ways in which AI could enhance and support the business over time. Board and Executive discussions focused on opportunities to improve and/or drive efficiency throughout the Company's operations while recognising the importance of adopting new tools in a measured and responsible way. Discussions also involved the safe use of AI tools, including the need for appropriate controls over data security, confidentiality, accuracy and regulatory compliance.	Clients Shareholders People External service partners Society and environment Regulators and state authorities

Pages 1 to 49 constitute the strategic report, which was approved by the Board on 30 June 2026 and signed on its behalf by:

Tracey Lago, FCG
Group Company Secretary

Governance

In this section

Board of Directors

The biographies of the Directors who served during the year are set out on pages 51 to 53 and demonstrate the skills and experience brought to the Board by each individual which, together, contribute to the long-term sustainable success of the Company for shareholders.

All Directors in office at the end of the year, apart from Win Robbins, will stand for election/re-election by Shareholders at the AGM to be held on 24 September 2026.

The Nomination Committee considers the composition of the Board and makes recommendations to the Board in relation to the directors. The Nomination Committee supports all the Directors standing for election/re-election at the AGM, the rationale for such support is provided in each of the Director's profiles.

David Lamb
Independent Non-Executive Chair

Appointed to the Board in April 2020 and became Chair of the Board in July 2020.

Skills and experience: David has more than 40 years' leadership experience within the asset management sector, including roles as Managing Director and Chair of the Investment Committee at St James's Place, he was also a director of the main PLC board between 2007 and 2019 having joined the firm at inception.

Other appointments: David is currently chair of New Ireland Assurance Company Plc, a leading provider of a range of pension schemes and funds, life insurance and investments.

Committee membership: Nomination Committee (Chair), Remuneration Committee (Member), Audit and Risk Committee (Guest by invitation).

Rationale for re-election: David has significant experience in asset management and a strong understanding of listed companies. In his role as Chair, he supports effective Board leadership by fostering open discussion, considered challenge and aligned decision-making. He remains closely engaged with the Directors, the Executive team, Investment teams and senior management, both inside and outside formal meetings, helping to promote strong oversight and a positive Board culture.

Iain Evans
Executive Director and Chief Executive Officer

Appointed to the Board in September 2025.

Skills and experience: Iain became Chief Executive Officer and Executive Director of Polar Capital in September 2025. He joined the company in November 2004 and brings over 30 years' experience in sales and distribution and business management within wholesale financial services.

Other Appointments: Iain is a Trustee of Medair UK, a non-profit organisation.

Committee membership: As an Executive Director, Iain is not a member of any committee but attends various committees by invitation to make proposals or respond to questions.

Rationale for election: Iain joined the Board in September 2025 following his appointment as Chief Executive. His longstanding knowledge of the Group and its stakeholders, together with his leadership of the business as CEO since assuming his role, supports effective execution of the Company's strategy and delivery of its strategic priorities.

Board of Directors continued

Samir Ayub
Executive Director and Chief Financial Officer

Appointed to the Board in November 2021.

Skills and Experience: Samir has over 25 years' experience in the financial services sector across several jurisdictions around the world. He has been with Polar Capital since 2010 as Head of Finance and in 2019 took on responsibilities as CFO. He is a Chartered Accountant, having qualified with Ernst & Young LLP and worked with them in Asia, the Middle East and the UK.

Other Appointments: None.

Committee membership: As an Executive Director, Samir is not a member of any committee but may attend a committee by invitation to make proposals or respond to questions.

Rationale for re-election: Samir undertook a key role working with the Board during the CEO transition in 2025. He has, and continues to play, an important role in shaping the Company's development and strengthening its financial discipline to align with, and aid the delivery of, the Company's overall strategy. He offers deep insight into the operational and financial factors critical to delivering strategic priorities. His experience and judgement enable him to provide strong oversight, and he remains instrumental in driving the Company's sustained performance and long-term progress.

Laura Ahto
Independent Non-Executive Director

Appointed to the Board in November 2021.

Skills and Experience: Laura is a highly experienced financial services professional, having held, over 25 years, senior operations, fund administration, and business roles globally at fund management firms including Baring Asset Management, and PIMCO Europe Ltd. She was also Managing Director and CEO of BNYM's European Bank.

Laura also served on the Board of the American Chamber of Commerce in Belgium until 2018 and was a founding member of Woman in Finance (Belgium). She also served as a member of the BNY Mellon CEO's Diversity and Inclusion Advisory Council.

Other Appointments: Laura is a non-executive director of Global Give Back Circle, a charity focused on providing skills to at-risk girls in Africa.

Committee membership: Audit and Risk Committee (Member) and Nomination Committee (Member).

Rationale for re-election: Laura brings broad international leadership experience in financial services, developed across the US, European and APAC markets, and shaped by both non-executive and senior executive roles. Laura has contributed to the continuing development of the firm's operational functions, as well as providing independent risk, audit, and governance insights and challenges.

Anand Aithal
Independent Non-Executive Director

Appointed to the Board in January 2022.

Skills and Experience: Anand is an entrepreneur with expertise in knowledge-intensive professional services organisations. He was a co-founder of Amba Investment Services Ltd, a leading provider of data analysis services to the financial services industry. He has also previously served as lead non-executive board member at the Cabinet Office and non-executive director at Nationwide Building Society.

Previously, Anand had been a managing director at Goldman Sachs where he gained extensive business experience in international and emerging markets, having worked in multiple locations in Asia, Europe and the Americas.

Other Appointments: Anand is a non-executive board member of Saga plc, and Persimmon plc, he is also a Trustee of the Institute for Government.

Committee membership: Audit and Risk Committee (Member) and Nomination Committee (Member). Following the AGM, Anand will be appointed as a Member of the Remuneration Committee and will thereafter step-down as a Member of the Audit and Risk Committee.

Rationale for re-election: Anand brings extensive experience in international financial services through a range of complementary external appointments. He provides independent judgement and constructive challenge in Board deliberations, drawing on his entrepreneurial experience alongside robust regulatory and governance expertise.

Alexa Coates
Independent Non-Executive Director

Appointed to the Board in July 2018.

Skills and experience: Alexa is a Chartered Accountant with over 30 years' experience in finance and accounting. She spent the last nine years of her executive career at HSBC, where she was the Global CFO of the Asset Management division before heading up the finance function of its Commercial Banking business in Europe.

Other Appointments: Alexa is a non-executive director and audit committee chair of Marsh Limited, the UK subsidiary of the insurance broker, MMC Inc. and non-executive director and audit and risk committee chair of Schroders Oriental Income Fund Limited, a FTSE 250 investment trust. Alexa was also the Senior Independent Director and Audit Committee Chair at Aviva Investors until March 2026.

Committee membership: Audit and Risk Committee (Chair) and Nomination Committee (Member).

Rationale for re-election: Alexa offers deep financial and governance experience, shaped by both senior executive leadership and her current non-executive responsibilities. She plays an active role with the Finance team, and the internal and external auditors, in supporting the integrity of the Group's financial reporting and ensuring compliance with relevant accounting requirements. Her experience as Chair of the Audit Committee for another listed company, together with roles across other regulated organisations, gives her strong and current insight into effective audit and risk oversight.

Win Robbins
Independent Non-Executive Director

Appointed to the Board in June 2017.

Skills and experience: Win has wide experience in the investment management industry, having held senior positions at a number of asset management firms, culminating as Head of European Fixed Income at Barclays Global Investors. She has previously held non-executive director and senior independent director roles at Blackrock Income and Growth Investment Trust plc, and Henderson Diversified Income Trust plc respectively.

Other Appointments: None.

Committee membership: Remuneration Committee (Chair) and Nomination Committee (Member). On conclusion of the AGM, Andrew Ross will assume the role of Chair of the Remuneration Committee and Win will step down from the Board along with the Remuneration Committee and the Nomination Committee.

Rationale for re-election: Having reached her nine-year tenure on the Board, Win will not be standing for re-election.

Andrew Ross
Independent Non-Executive Director

Appointed to the Board in April 2020.

Skills and experience: Andrew is a highly experienced financial services practitioner having spent over 20 years in senior roles at investment and wealth management firms. He was CEO of Cazenove Capital Management from 2001 until its acquisition by Schroders plc in 2013, when he became Global Head of Wealth Management.

Other Appointments: Andrew is currently a non-executive director of Quilter plc and Cadogan Settled Estates Limited. He is also a trustee of the Harris (Belmont) Charity and of the National Gallery Trust.

Committee membership: Nomination Committee (Member) and Remuneration Committee (Member). Andrew will succeed Win Robbins as Chair of the Remuneration Committee with effect from the conclusion of the AGM.

Rationale for re-election: Andrew offers broad leadership experience in developing and managing asset management businesses. From his current and prior non-executive roles, he brings valuable market insight and sound judgement to Board deliberations. He has been closely involved in defining business needs and supporting the continued development of Consumer Duty requirements.

Directors who served for part of the year

Gavin Rochussen
Executive Director and Chief Executive Officer

Appointed to the Board in July 2017 and retired in September 2025

Skills and experience: Before joining Polar Capital, Gavin was Group CEO at J O Hambro Capital Management Limited (JOHCM). Prior to JOHCM, Gavin was Group CEO at Fleming Family & Partners Limited, a European multi-family office. Gavin qualified as a Chartered Accountant in 1983 in South Africa.

Committee attendance: As an Executive Director, Gavin was not a member of any committee but attended various committees by invitation to make proposals or respond to questions.

Other: Gavin was succeeded in the role of Chief Executive Officer by Iain Evans who was thereafter appointed to the Board following Gavin's retirement.

Directors' Report

The Directors present their report and the audited consolidated financial statements of Polar Capital Holdings plc (the Company) and the Group for the year ended 31 March 2026.

Status and trading

The financial results for the year ended 31 March 2026 are set out in the attached financial statements.

Details of subsidiaries are included in Note 4.6 to the financial statements. The Group has branches in Germany, Spain, Sweden and Denmark.

The Group's financial risk management objectives and policies, and its exposure to risks arising from the use of financial instruments, are set out in Note 4.14 to the financial statements.

The results for the year are given on page 99.

No political donations were made during the year to 31 March 2026 (2025: none).

Information on how we consider stakeholder interests including our S172 statement are disclosed in the Strategic Report on pages 46 to 49.

Information required to be disclosed in compliance with the SECR regulation is disclosed in the Strategic Report on pages 35 to 37. Polar Capital's objectives and matters relating to the future development of the business are set out in the Strategic Report on page 12. The Group's main country of operation is the UK.

The Company is incorporated in England and Wales as a public limited Company under registered number 04235369 and its registered office is at 16 Palace Street, London, SW1E 5JD.

The Company is subject to the rules of the Alternative Investment Market (AIM), UK regulations including Company law, financial reporting standards, taxation law, and supervised by the Financial Conduct Authority and other regulators in countries in which the Company carries out its regulated business and its own Articles of Association.

Directors

At the date of this report, the Board comprises two Executive Directors and six Non-Executive Directors. The Directors who served during the year and were in office at the year-end are set out on pages 51 to 53.

During the year under review, Gavin Rochussen retired as a Director on the Board at the conclusion of the AGM on 25 September 2025 and Iain Evans was appointed to the Board on the same date. All Directors, with the exception of those mentioned, held office throughout the year under review and up to the signing of this Report.

The remuneration, principal terms of employment and the interests of the Directors in the Company's shares and options are detailed in the Remuneration Report on pages 74 to 87.

Under the provisions of the Articles of Association all Directors are required to stand for re-election at each AGM. Having been appointed during the year, Iain Evans will stand for first election by shareholders. Having indicated her intention to retire, Win Robbins will not stand for re-election at the AGM to be held in September 2026.

None of the Non-Executive Directors have any interest in any contract with the Group or Company.

The Board has approved a policy on the disclosure, approval and management of Directors' conflicts of interest, and its application is described on page 61.

Details of the Deeds of Indemnity granted to each Director in respect of their duties are given on page 79.

Dividends

The Directors have declared two interim dividends in respect of the financial year ended 31 March 2026 amounting to 46.0p per share (2025: 46.0p per share). The first interim dividend of 14.0p per share was paid on 9 January 2026 to shareholders on the register on 12 December 2025.

The second interim dividend of 32.0p per share will be paid on 7 August 2026 to shareholders on the register on 10 July 2026. The shares will trade ex-dividend from 9 July 2026.

Remuneration code

Disclosure of the Group's Remuneration Code is made alongside its MIFIDPRU public disclosure document which is available on the Group's website: www.polarcapital.co.uk.

Capital structure

The capital structure of the Company is detailed in Note 4.12 to the financial statements. The fully paid ordinary shares of the Company are traded on AIM and it has not made any arrangements for its shares to be admitted or traded on any other exchanges or trading platforms.

The Board seeks shareholder approval at each Annual General Meeting to allot ordinary shares, disapply pre-emption rights and to make market purchases of ordinary shares. The separate Notice of AGM sets out the resolutions, and the Chair's letter accompanying the notice explains their purpose and any use made by the Board of the authorities.

Rights attaching to the shares

On a show of hands at a general meeting of the Company every holder of an ordinary share present, in person or by proxy, shall have one vote and, on a poll, each ordinary share has one vote. All ordinary shares rank equally for dividends.

There are no restrictions on the transfer of the fully paid ordinary shares other than those where the Company is entitled to refuse to register a transfer of a fully paid ordinary share under the Uncertificated Securities Regulations.

There are no special rights with regard to control attached to the shares, no agreements between holders of the shares regarding their transfer known to the Company and no agreement to which the Company is a party that affects its control following a takeover bid. The Company is subject to the UK City code on Takeovers and Mergers.

Upon a winding up, after meeting the liabilities of the Company, the surplus assets would be distributed to shareholders pro-rata to their holdings of ordinary shares.

Issued share capital and changes in the year

The number of ordinary shares in issue at the year-end was 100,557,460 (2025: 101,560,405). During the year the Company issued 7,969 ordinary shares (2025: 364,526) to cover the issue of new shares against previously crystallised preference shares. In addition, up to the year end, the Company bought back a total of 1,010,914 ordinary shares under the buyback programme announced on 16 January 2026.

Since the year-end and up to 25 June 2026, being the latest practicable date prior to the issuance of these financial statements, a further 992 shares have been issued to satisfy the preference share crystallisations and a further 641,157 shares have been bought back under the programme. All shares purchased under the buyback authority have been cancelled. The issued share capital at 25 June 2026, being the latest practicable date, is 99,917,295 ordinary shares.

Employee benefit trust arrangements

The Company operates an Employee Benefit Trust (EBT) which is funded by the Company to make market purchases of the Company's shares which may be used to satisfy share awards made to Directors and employees.

The EBT undertakes regular market purchases and as at the year-end 31 March 2026 the EBT held 4,646,052 ordinary shares in the unallocated general account (2025: 5,173,948).

The Trustee has waived the dividend in respect of the shares held in the unallocated general account. Where it holds shares as the result of a vesting of employee long-term incentive plans, but which are subject to a further holding period, it receives dividends to pass on to the respective staff members.

The Trustee seeks directions from the Company for the casting of votes in respect of the shares. The Company has requested that the votes attached to the shares in the unallocated general account are not cast.

Substantial shareholdings

As at 25 June 2026, the Company had received notices for the purposes of Part 5 of the FCA's Disclosure and Transparency Rules and PDMR notifications from the undernoted shareholders. The percentage voting rights are calculated based on the number of shares shown in the notice divided by 99,917,295, being the number of shares in issue as at 25 June 2026:

Holder	Number of ordinary shares shown in notice	% of voting rights held
Harwood Capital LLP[1]	4,995,000	5.00%
Apex Financial Services (Trust Company) Limited[2]	4,943,888	4.95%
Canaccord Genuity Group[2]	5,030,240	5.03%
Perpetual Limited (JO Hambro)[2]	3,039,697	3.04%
Caledonia Investments plc[1]	3,008,348	3.01%

1. Direct holding.
2. Indirect holding.

Annual General Meeting (AGM)

The AGM will be held at 16 Palace Street, London SW1E 5JD, at 2.00pm on Thursday, 24 September 2026.

Full details of the resolutions and explanations of each resolution are given in the separate notice of meeting sent to shareholders. Approved by the Board on 30 June 2026 and signed by order of the Board.

Tracey Lago, FCG
Group Company Secretary

Corporate Governance Report

Dear Shareholder

The Board of Directors considers good corporate governance to be important to the long-term success of the business and understands the reliance and reassurance that shareholders and other stakeholders place on the Board setting the standards and ethos. The Board has reported against the Quoted Companies Alliance (QCA) Corporate Governance Code 2023 (the 2023 QCA Code) as the recognised corporate governance code applicable to the Company for the year under review.

As a Group operating in the financial services sector, the business of the Group is highly regulated and subject to scrutiny by the various regulators. This regulation and scrutiny brings into sharp focus the responsibilities of the Directors to analyse and manage risk throughout the business. The Company has engaged the services of an external firm since 2022 to provide us with outsourced internal audit services. Following conclusion of the prior contract, EY were appointed as the new outsourced internal audit firm with effect from 1 March 2025. Further information in relation to internal audit is provided in the ARC report on pages 69 to 73. The compliance and operational risk functions of the Group remain central to the Group's operations and risk monitoring and work closely with the internal audit function. The compliance and risk monitoring program is embedded throughout the Group, and through the Group Risk Committee (GRC), the Executives are provided with information on the control environment and reporting of risks as well as breaches. A summary is then provided to the ARC including recommendations to address regulatory changes and improvements to the control environment. The ARC also considers recommendations from the outsourced internal audit function and once agreed with management, monitors in conjunction with the internal auditor, the implementation of these recommendations.

The Board remains committed to continue to develop best practice throughout the Group and will continue to lead the business by setting standards for behaviour expected by all staff in their actions within the business, in dealing with customers and when engaged in wider social interactions so that the reputation of the Group is enhanced.

The composition of the Board needs to contain the skills and experience required to guide and challenge the Executives. Further information on the Board, its composition and that of its Committees is reported in the Nomination Committee Report on pages 66 to 68. In light of Gavin Rochussen's retirement and the appointment of Iain Evans as CEO in September 2025, it was agreed that the Board and Committee evaluation process would be deferred to FY27 once the CEO transition was completed. The Chair however continued to have engagement and open dialogue with all directors outside of formal meetings. An externally facilitated Board and Committee evaluation process was undertaken in 2023.

The following report describes how the ten principles of the 2023 QCA Code have been addressed and it provides the disclosures required by such. The Board has reviewed the Corporate Governance disclosures set out below and believes that the Group complies with the relevant principles and disclosure requirements of the 2023 QCA Code in full, with the exception of principle 8 as noted above.

David Lamb
Chair

30 June 2026

The ten principles of the 2023 QCA Code: Delivering Growth – Principles 1-5

Principle 1

Establish a purpose, strategy and business model which promotes long-term value for shareholders.

The Strategic Report set out on pages 1 to 49 describes the business objectives and business model which, when read with the Chief Executive and the Chief Financial Officer's Reports, covers the past year's achievements and the future prospects for the growth of the business. The Board meets at least annually with the Executives to specifically discuss the present and future strategy of the business including any areas for development, or changes required, within the business and future focus points for consideration when describing the purpose of the business in future reporting.

The Sustainability Report on pages 34 to 39 expands on the work that has been carried out throughout the business to address and report on ESG progress and awareness in the investment process and corporate culture including the requirements of the Task Force on Climate-Related Disclosures (TCFD).

The risk management framework, including key risks to the business and our risk monitoring and reporting, is set out on pages 40 to 45.

The statement on how Directors have discharged their duties in relation to the requirements of section 172 of the Companies Act 2006 is set out on pages 46 to 49 of the Strategic Report. Further reporting on how the Board has considered shareholders and other stakeholders can be found across the reports from the various Committees.

Principle 2

Promote a corporate culture that is based on ethical values and behaviours.

The Board acknowledges that it is responsible for promoting a corporate culture that provides a bedrock for the business. The Group's success is largely dependent on recruiting, retaining, and developing the best financial services professionals.

To achieve this the Group seeks to ensure that physical working conditions are of a high standard and that staff have the flexibility to work remotely when appropriate but also spend time together in the office to retain a creative environment and build teamwork.

The provision of staff wellbeing services is considered, and feedback from staff is monitored through the periodic staff survey and the Company's anonymous suggestions box. There are regular staff communications, with monthly updates from the CEO to all staff, regular internal briefings such as townhall meetings on developments and regular social events for departments as well as the entire Company.

The Group also encourages staff to engage in decisions and an open-door policy is promoted so that managers and staff engage across all parts of the business. Staff are also encouraged to participate in the success of the business through the all staff Save As You Earn share scheme and the Group offers a range of benefits to support staff, including ill health protection and life cover.

A staff Diversity and Inclusion Committee (the D&I Committee) has been established which promotes all staff engagement, equal opportunities and diversity across the business. The D&I Committee supports community connections and opines on the allocation of charitable donations in support of staff engagement in external activities. The D&I Committee is also fundamental in the management of the Polar Capital Aspire Scheme (PCAS) which provides technical equipment and financially supports through the award of bursaries to cover their university placements, a number of students from the local Westminster City School. The Group considers all appropriate applications for employment from people from any sector of society. The Board follows the Group's policy on diversity and seeks to appoint the best qualified person to a particular role and to ensure that nobody receives less favourable treatment on any grounds, including gender, sexual orientation, disability, background, race or any other diverse characteristic.

The Group aims to remunerate staff in line with market practice, to provide development opportunities and to encourage staff motivation and retention.

Further information is provided in the Sustainability Report on pages 34 to 39 and on page 49 when reviewing the work of the Board in considering the various stakeholders' interests.

Corporate Governance Report continued

Principle 3

Seek to understand and meet shareholder needs and expectations.

The Company welcomes dialogue with shareholders in order to achieve a mutual understanding of objectives. The Board has regular reports from the Executive Directors on shareholder visits and meetings which include meeting current and potential shareholders as part of the road shows arranged by the Company's brokers, after the announcement of the annual and half yearly results, plus ad hoc meetings as needed throughout the year.

The Chair of the Remuneration Committee engages with independent consultants and when appropriate, shareholders, in advance of publishing updated remuneration proposals. As in previous years, following the announcement of the results in June 2025, David Lamb as Chair, contacted major shareholders and offered the opportunity to meet and discuss their views. The results of these interactions were reported to the Board which noted no adverse comments which required following up. Engagement with shareholders is an important aspect of the Chair's role and the ability of shareholders to meet him, without the Executive present, will be offered again in 2026.

The Annual General Meeting (AGM) provides a forum for investors to meet the Directors, both formally and informally as well as engaging with the Chairs of the Board Committees. Shareholder engagement prior to the AGM is provided by a dedicated email address for shareholders to ask questions. Voting at the 2025 AGM was conducted on a poll vote (one vote for each share held) and all but three of the resolutions were passed with in excess of 98% of votes cast in favour, the remaining three resolutions to re-elect three directors were passed with in excess of 89% of votes cast in favour. The next AGM will be held on 24 September 2026 at the offices of the Group, and shareholders will be offered the ability to ask questions in advance of the meeting as well as to attend and question the Directors in person.

A website (www.polarcapital.co.uk) is maintained and regularly updated for shareholders to access information about the Company. This provides information about the business, its funds and investment teams, as well as corporate information on policies, corporate governance, the share price and announcements to the London Stock Exchange. There are also video presentations of the latest results.

Principle 4

Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success.

The Board takes collective responsibility for ESG matters and recognises the needs of society and the impact on the environment from the organisation's activities.

The Board meets with senior executives and heads of departments on a regular basis and through the reporting structures receives information on key customer and supplier relationships. The Board and its Committees, in addition to ad hoc deep-dive investment sessions, have the opportunity to meet portfolio managers at least once a year and hear them present on their funds.

The Chief Legal and Compliance Officer reports to the ARC and the Board on all regulatory matters and the Nominated Advisor and Corporate Broker is available to the Directors to advise on stock exchange matters and ensures that any regulatory concerns are raised with the Board. The Board has nominated Andrew Ross, NED, as the Consumer Duty lead and he works closely with the Head of Product and the Executive Consumer Duty Champion to ensure that provision is made in all business processes to address the needs of consumers and promote the consumer duty principles.

Appropriate steps have been taken in relation to the Anti-bribery and Modern Slavery Acts and a statement is available on the Company's website. The Company also has a whistleblowing policy and has appointed Alexa Coates as the whistleblowing champion.

Further details on how we consider the impact on our stakeholders is included in the Directors Duties and section 172 statement on pages 46 to 49.

Principle 4 continued

The Head of HR reports to the Board on staff matters and issues such as diversity and inclusion, staff survey results and staff turnover. As referenced in Principle 2, the Group has established a D&I Committee which is also reported on to the Board by the CEO and the Head of HR. The Board continues to take an interest in the PCAS scheme run in conjunction with the Westminster City School. A flexible working pattern continues to be adopted across the business, with staff able to agree with their line managers a hybrid working pattern.

The Head of Sustainability regularly presents to the Board on developments and the setting and meeting of appropriate ESG targets including the implementation of the TCFD recommendations as they apply to the business. He is supported by a dedicated team and by a committee drawn from staff throughout the organisation to act as a central point for corporate and investment sustainability across the Group. Further information on ESG and climate change is provided in the Sustainability Report.

Principle 5

Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation.

The Board, through the work of the ARC, considers the identified and emerging risks inherent in the business model and the management of such risks within the internal control environment. The Board considers the strategic direction in conjunction with the Executive, and the Strategic Report identifies the key business risks. The MIFIDPRU public disclosure document, available on the Company's website, also describes the risk and control environment.

The Group's compliance and operations functions undertake a formal process on a regular basis to review the levels of service provided by third-party service providers to the Company or to the Company's clients such as investors in the Company's funds. This process is supplemented by the day-to-day interaction with the third-party service providers and permits senior management to review the arrangements and risks inherent in outsourced services.

The Group's sales and client service teams keep in close contact with existing and potential investors in the Group's funds.

Internal control

The Board has overall responsibility for the Group's and Company's system of internal control including risk management framework, compliance and financial reporting as detailed on pages 69 to 73.

The Group's system of internal control is designed to manage, rather than eliminate, risk of failure to achieve business objectives. It is recognised that such a system can only provide reasonable, but not absolute, assurance against material misstatement or loss. Any incidents are reviewed to ensure there are no systemic issues and additional controls are put in place to prevent recurrence.

The ARC as part of its role, has reviewed and monitored the effectiveness of the internal controls for the year ended 31 March 2026 which includes the ISAE 3402 internal controls report for the 12 months to 31 December 2025 and the progression of the RCSA programme, with assessments completed across the majority of business units during the year.

As referenced within the ARC Report, an outsourced internal audit function was engaged in 2022 and following a tender process, Ernst & Young LLP (EY) was appointed as the outsourced internal audit provider with effect from 1 March 2025. Recommendations made as a result of each internal audit process are presented to the ARC and once agreed with management, are actively monitored and tracked by the ARC in conjunction with the outsourced provider. More information on the activities of the ARC is set out in its report on pages 69 to 73. Overall, the Board has concluded that there is an appropriate risk and control framework in place.

Corporate Governance Report continued

Maintain a Dynamic Management Framework – Principles 6-9

Principle 6

Establish and maintain the Board as a well-functioning, balanced team led by the chair.

Composition

The composition of the Board is described in the Directors Report. The individual biographies are listed on pages 51 to 53. At the date of this report the Board comprises of two Executive Directors, Iain Evans and Samir Ayub, and six Non-Executive Directors, all of whom have been in office for the full financial year, with the exception of Mr Evans who was appointed to the Board on 25 September 2025. The skills and experience of each Director is detailed in their biographies. The Board is satisfied that there is the necessary mix of skills and personal qualities to deliver the strategy of the Company.

Directors' appointment, election and re-election

In accordance with the Articles of Association, any new Director, appointed by the Board, is required to seek election by shareholders at the next general meeting of the Company notice of which has been given after their appointment. As such, Iain Evans will stand for election at the Company's AGM taking place in September 2026. All Directors, with the exception of Win Robbins who will be retiring at the AGM having reached her nine-year tenure on the Board, are therefore seeking annual re-election in accordance with good corporate governance practice.

Non-Executive Directors do not have specific time commitments, but it is estimated that between 20 and 25 days each year is required to fulfil their responsibilities. Executive Directors are full time employees of the Group.

Role and responsibilities

The Directors' general duties are set out under sections 171–181 of the Companies Act 2006 and the Board has responsibility to promote the success and interests of the Company and as a whole is responsible for the Group's success, its objectives and policies and the proper governance of the Group and Company.

The Directors have regard to the interests of a wider group of stakeholders in the success of the longer-term business and when exercising their judgement take such interests into account. The Board provides overall strategic direction to the Executives by monitoring the operating and financial results against plans and budgets; reviewing the performance of management; assessing the adequacy of risk management systems and monitoring their application.

The Board in conjunction with the Executives, defines the culture and sets the Company's values and standards ensuring that the Company's obligations to its shareholders and others are understood and met.

In upholding the culture of the Company, the Directors have the opportunity to engage with staff at informal gatherings as well as at more formal meetings throughout the year.

The Board, as noted elsewhere, receive reports and feedback from other parts of the business on suppliers, shareholders and investors in the Group's funds.

The role of the Non-Executive Directors is to challenge constructively, and contribute to, the development of strategy; to scrutinise the performance of executive management in meeting agreed goals and objectives, monitor their performance; and, through the various Committees, to satisfy themselves that financial information is accurate and that financial controls and systems of risk management are robust and remuneration across the Group is considered.

Principle 6 continued

Succession

At the time of writing, the Board were fully engaged in a non-executive director recruitment process to replace Ms. Robbins; more on this process and the results of such will be reported to the market in due course.

All Directors receive appropriate and timely information to ensure that they are properly briefed in advance of Board and Committee meetings and have unlimited access to the advice and services of the Company Secretary and other senior management should further information be required. The Company Secretary is responsible for advising the Chair and the Board on governance matters.

A procedure has been established for Non-Executive Directors to have access to independent professional advice at the Company's expense where they judge it necessary to discharge their responsibilities as Directors. No such advice has been sought in the year to 31 March 2026.

As reported in the Nomination Committee report the independence, time commitments, conflicts and succession considerations of each Director are annually reviewed. The Board has noted and adopted the recommendations of the Nomination Committee.

Conflicts of interests

The Companies Act 2006 (the Act) imposes a duty on Directors to avoid a situation in which they have or could have a conflict of interest or possible conflict with the interests of the Company. Directors are required to disclose all actual and potential conflicts of interest to the Board as they arise for consideration and approval.

The Board may impose restrictions or refuse to authorise such conflicts if they consider them to conflict with the interests of the Group. Only Directors not involved in the conflict or potential conflict participate in the authorisation process taking into account their duty to promote the Group's success.

Directors are reminded at each Board meeting of their obligations to notify any changes in their statement of conflicts and also to declare any benefits received from third parties in their capacity as a Director of the Company.

Each new Director on appointment is required to declare any potential conflict situations.

The register of conflicts is updated as and when a change arises and is formally reviewed in full annually. The Board has concluded that the process has operated effectively during the year and no Director has declared the receipt of any benefits during the year in their capacity as a Director of the Company.

Board meetings

The Board has a regular schedule of meetings and also meets on an ad hoc basis as required. It receives detailed papers in advance of the meetings and verbal reports at each meeting from the executive management covering the financial performance of the Group, updates on fund performance and distribution, business development, matters affecting the general trading conditions and operational issues, including risk and compliance.

The Board also receives reports from Committee Chairs on matters which relate to the Committee's responsibilities as well as reports and presentations from the heads of departments on matters affecting the Group. The Board receives presentations from third party advisors on regulatory, legal and strategic updates.

Corporate Governance Report continued

Principle 6 continued

The following table sets out the Board and Committee meetings schedule and attendance for the year to 31 March 2026:

	Board	Nomination	Audit and Risk	Remuneration	AGM 25 September 2025
Number of meetings in the year	5	2	7	5	1
Directors serving during the year **(Committee membership shown in brackets)**					
David Lamb (Nomination and Remuneration)	5	2	–	5	1
Iain Evans[1] (None)	3	–	–	–	–
Samir Ayub (None)	5	–	–	–	1
Laura Ahto (Nomination and ARC)	5	2	7	–	1
Anand Aithal (Nomination and ARC)	5	2	7	–	1
Alexa Coates (Nomination and ARC)	5	2	7	–	1
Win Robbins (Nomination and Remuneration)	5	2	–	5	1
Andrew Ross (Nomination and Remuneration)	4	2	–	5	1
Gavin Rochussen[2] (None)	2	–	–	–	1

1 appointed on 25 September 2025
2 resigned on 25 September 2025

In addition to the above there were various Allotment Committee meetings to deal with the issue of shares and exercise of share awards by staff.

Where a director may be unable to attend a meeting, they have full access to the meeting papers and the opportunity to share their views on the matters to be discussed with the Chair prior to the meeting and are briefed on proceedings and outcomes following the meeting.

Directors other than Committee members may attend a Committee meeting as a guest for information purposes at the invitation of the Chair of that Committee. As a guest, they are not part of the deliberations or decisions of that Committee. Guest attendance is excluded from this analysis. Executive Directors attend Committee meetings when required to present or comment on matters for the Committee to consider.

Principle 7

Maintain appropriate governance structures and ensure that, individually and collectively, Directors have the necessary up-to-date experience, skills and capabilities.

On appointment, new Directors are offered an induction and training considered appropriate by the Board and subsequently as necessary. The Directors receive briefings at Board meetings on regulatory and other issues relevant to the Group and its business sector and may attend external courses to assist in their professional development. Regular compliance training is required of all Executive Directors and is available to the Non-Executive Directors. All Directors are encouraged to keep up to date with industry matters through their networks and other roles they undertake.

The skills and experience of each Director are detailed in the biographies on pages 51 to 53 and are assessed as part of the annual appraisal process which is explained in more detail in the Nomination Committee report. Each director was appointed with varying skill sets which are complementary to one another and the business to be conducted.

The posts of Chair and CEO are held by different Directors, with the Chair being an independent non-executive role. The specific responsibilities of each role are set by the Board and are available on the Company's website.

The Chair's primary role, through their leadership, is to ensure that the Board and individual Directors are able to operate efficiently and by setting the agenda, style and tone of Board discussions, to promote effective decision making and constructive debate. The Chair also provides a sounding board for the CEO and leads on succession planning for the Board and senior executive positions.

The CEO leads the executive management team; the Executive Committee which meets regularly, is primarily responsible for the implementation of the Board's policies and strategies, effective communication with shareholders, ensuring that all Board members develop an understanding of the views of investors and for managing the activities of the Group other than in relation to those matters specifically reserved to the Board or delegated to its Committees.

The Board has a formal agenda of items for consideration at each scheduled meeting, but it will also meet at additional times when required and address ad hoc items as required.

The Board has established guidelines requiring specific matters to be decided by the full Board of Directors. These include the appointment and removal of Directors, terms of reference for Board Committees and membership thereof; approval of strategy including material acquisitions and disposals, annual financial budgets, investments and capital projects. Matters that are reserved for the Board are generally forwarded to the Board for consideration with a recommendation from the executive management or appropriate Committee.

The Chair and the CEO meet weekly to discuss operational matters and the Chairs of the various Committees are in regular contact with members of the executive team and senior managers to keep up to date with operational matters. The Chair also has a regular cycle of meetings with members of the executive team to keep in touch with all aspects of the business.

Corporate Governance Report continued

Principle 8

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.

Each year, an evaluation process is undertaken. As an AIM listed company, the Board is not required to undertake an externally facilitated evaluation but may choose to do so. Such a process was adopted in 2023, and it was agreed that this may be adopted again on an ad hoc basis in future years. As mentioned above, in light of the changes to the composition of the Board in September 2025, it was agreed that the Board and Committee internal evaluation process would be deferred to FY27 once the CEO transition was completed. The internal evaluation process ordinarily involves individual one-to-one meetings between the Chair and each Director, providing information on the effectiveness of the Board, its operation, and providing a forum for suggestions for improvements; in addition, each director meets with Mr Ross to give views on the Chair and the running of the Board. The outcomes from the evaluation process are then considered by the Nomination Committee and are detailed in its report each year.

Each Director is reminded that should they have any concerns or observations, the Chair or Company Secretary is available to discuss the matter and if required to bring the matter to the attention of the wider Board, Committee or individual Directors as appropriate.

As part of the CEO succession and transition process, each director met with the Chair and also the external recruitment partner, to share views and also had the opportunity to raise any concerns. Following this process, the Board agreed to conduct an internal evaluation process in FY27 which will be reported on in the Annual Report for the year ending 31 March 2027.

The Executive Directors also complete formal performance appraisals which are required of all full-time staff.

Principle 9

Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture

The principle requires companies to establish a remuneration policy which is "supportive of long-term value creation and the Company's purpose, strategy and culture". This principle is underpinned by various expectations in application. It calls for pay structures that are "simple and easy for participants to understand". It also sets an expectation that remuneration for senior management should promote alignment with shareholders "through the building and holding of a meaningful shareholding in the company". It further suggests that the annual remuneration report should be put to an advisory shareholder vote and, where not mandated to be put to a binding vote, remuneration policies should at least be put to an advisory vote.

The Company has for several years offered shareholders a full remuneration report and advisory vote on Directors' pay including a high-level description of the remuneration policy.

Having consulted with the Company's independent remuneration advisors, the Board do not feel it is necessary to offer a binding vote on remuneration but will keep the matter under review for future years and when considering any significant growth in the Company.

The Remuneration Committee report on pages 74 to 87 sets out the considerations of and proceedings undertaken by the remuneration committee in the year, the Company's remuneration policy and the terms of the various equity plans in place for the benefit of the Executives and the wider business, such plans are adopted by Board resolution from time to time under the guidance of the independent advisors. The Company generally follows the Investment Association shareholder guidelines on the use of the shares for any awards made under the equity plans.

Build Trust – Principle 10

Principle 10

Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

To assist in running the Group, a number of Board Committees have been established to undertake specific responsibilities, provide concise information to support proposals to the Board, carry out the work necessary for the business to operate effectively and efficiently, and ensure compliance with all the regulatory requirements. The Board has delegated certain specific areas of responsibility to each of the Committees. The Board sees minutes of all Committee meetings and the Chair of each Committee reports to the Board on any significant matters. The Board also receives copies of minutes from the Executives and subsidiary companies for information.

The current composition and the work of each of the key Board Committees is detailed in their reports. The reports of the Committees are set out as follows:

- Audit and Risk, pages 69 to 73;
- Nomination, pages 66 to 68; and
- Remuneration, pages 74 to 87.

The terms of reference for these Committees are provided on the Company's website. In addition to the above Committees, there is also an Allotment Committee which does not produce a separate report but is used administratively to allot and issue shares or confirm instructions to the EBT arising from the exercise of board approved share awards or shares arising from previously board approved crystallisations of fund manager preference share arrangements. Separately, the Executive Committee is a management committee which does not produce a separate report but has overall responsibility for delivering the day-to-day management of the Group and supports the CEO in delivering his vision and the strategy of the Board.

The schedule of matters reserved to the Board and the responsibilities of the Chair and the CEO are included in the Corporate Governance disclosure available on the Company's website.

Approved by the Board on 30 June 2026 and signed by order of the Board.

Tracey Lago
Group Company Secretary

Nomination Committee Report

David Lamb
Chair of the Nomination Committee

Committee Composition

	Meeting attended
David Lamb, Chair	2/2
Laura Ahto	2/2
Anand Aithal	2/2
Alexa Coates	2/2
Win Robbins	2/2
Andrew Ross	2/2

The Committee comprises all the Independent Non-Executive Directors.

The Committee received information and support from the Executive Directors as well as the Company Secretary in performing its duties.

Dear Shareholder

As Chair of the Nomination Committee (the Committee), I am pleased to present its report to shareholders for the financial year ended 31 March 2026.

The Committee's principal duties are unchanged from the previous year and are:

- to review the structure, size and composition of the Board and its committees, ensuring an appropriate balance of skills, knowledge, independence, diversity and experience.
- to evaluate the Directors' skills, knowledge and experience to ensure an effective Board and individual Director contribution and to make recommendations for director re-election as appropriate.
- to consider the leadership needs and succession planning of the Board and the executive team when making decisions on new appointments, and to seek advice and work closely with external advisers as necessary in connection with recruitment, noting that succession of the Chair of the Board and the CEO are matters reserved for the Board.

The terms of reference of the Committee, which explains its role and the authority delegated to it, are available on the Company's website. The letters of appointment for each non-executive Director will be available for inspection at the Annual General Meeting (AGM) to be held in September 2026.

Nomination Committee Activities During the Year

The Committee met twice in the financial year ended 31 March 2026, and its activities included:

- reviewing the structure, size, composition and tenure of the Board, and the leadership needs of the Group, continuing the work from the previous year, including careful consideration of the skills required of any new NED candidates.
- considering succession planning for the Board and Executives with regard to the nine-year tenure of NEDs and the appropriate timing of retirements.
- working with external advisers, the wider Executive Committee and the Board on the transition of the new CEO.
- undertaking a tender process in which the Committee met with two firms, to establish a recruitment partner for the next round of Board succession; subsequently, an engagement was signed with Teneo who were deemed to be the most prepared and had in-depth prior knowledge of the Board and the wider Executive.
- reviewing the need for a Board evaluation process while considering the outcomes from the prior year, the succession and CEO transition, and the engagement of Teneo for the Board succession process.

In addition to the meetings of the Nomination Committee, a number of informal, NED only, meetings and formal, NED only Committee of the Board, meetings were held to discuss and progress the search for, appointment of and the transition process for a change of CEO. In culmination of such, as referenced in my report last year, an announcement was made on 30 June 2025 of Gavin Rochussen's impending retirement and the appointment of Iain Evans as CEO designate, subject to regulatory approval. Regulatory approval was subsequently granted, and Iain Evans was officially appointed as CEO and Executive Director with effect from 25 September 2025.

Board, Committee and Individual Director Evaluations

It is a prerequisite that each Director or proposed Director must have the skills, experience and character to contribute both individually and as part of the Board to the effectiveness of the Board and the success of the Group. Subject to this overriding principle, the Board believes that diversity amongst its members, is of great value. It is the Board's policy to give careful consideration to issues of overall Board balance and diversity in making new appointments. The Committee strives to encourage all the Directors to create an inclusive culture within the Group in which differences and alternative views are recognised and valued.

The Board's objective is to have at least 33% female representation. The Board currently has three female Directors (37.5%) with two of them occupying the Chairs of the key committees, the Audit and Risk and the Remuneration Committees. The Board also has two non-white ethnic minority Directors (25%). The Committee is conscious that the next two director tenure completions are of Win Robbins, followed by Alexa Coates. The Committee is therefore working closely with Teneo to ensure diversity on the Board remains a high priority in the search process for new NEDs. The Committee recognises however, that it is important to ensure the right candidates are appointed and that neither diversity nor skill sets are compromised in the process.

Evaluation Process

Under the QCA Code of Corporate Governance, Principle 8 provides that the Board should regularly evaluate the performance of the Board as a unit, the Committees and the individual Directors. As an AIM listed entity, there is no requirement to undertake an externally facilitated evaluation, but it is recommended that such be considered from time to time.

In 2023, the Board chose to engage an independent service provider, Independent Audit (IA), and undertake an externally facilitated evaluation process; in 2024 the Board carried out an internal evaluation process along with the annual one-to-one development review meetings I hold with each Director.

In 2025, due to the processes being undertaken with the transition of the CEO and review of requirements for Board succession candidates, the Committee agreed to delay the evaluation process until these matters had concluded or significantly progressed. The results of the prior evaluation processes included various suggestions, some of which were implemented and are now embedded in Board processes, while others have been kept under review. While a formal evaluation process has not therefore been carried out in 2025, a significant number of meetings have been held with each director individually with myself and independently with Teneo in connection with the Board succession requirements; these meetings gave the directors opportunity, in an independent manner, to raise any issues they felt required consideration or areas of concern and also enabled open discussion around the skill sets held on, or required by, the wider Board.

Effectiveness

The conclusions from the prior review meetings and the individual views ahead of Board succession, confirmed that the Board, the Committees and individual Directors continued to work effectively and in a collegiate manner. There continues to be a strong consensus that the Board has a genuinely diverse range of skills and inputs to it that supports the discharge of its responsibilities. When constructing candidate profiles for the Board succession process, particular attention was paid to the distinct skills that each director brings to the Board and as each director approaches tenure, which skills might be lost from the wider Board in that process. The process prioritised the preservation and enhancement of these skills, ensuring that the Board does not experience a reduction in its overall expertise. Rather than merely replacing departing directors, the aim was to both maintain and build upon the existing skill set within the Board.

Succession Planning

The Board considered the full tenure schedule of the Directors. While Directors are appointed with a general expectation of remaining on the Board for three, three-yearly cycles, the Committee agrees that it is acceptable for a director to stand down or for the Board collectively to recommend a change at different periods should it be more appropriate and therefore, it should not be assumed that a director would continue in role for the full nine-years.

Nomination Committee Report continued

Each director is asked to reconfirm their position on the Board as they approach the end of each three-year term and every director, with the support of the Committee and the Board, stands for annual re-election by shareholders. Win Robbins will not stand for re-election at the AGM in September 2026 as she will have reached her nine-year tenure. Alexa Coates will reach nine-year tenure in mid-2027 and her role is therefore forming part of the succession process to ensure there is an appropriate handover period as Chair of the Audit and Risk Committee.

Independence

The Committee considered the independence of each Director and possible conflicts.

In assessing the independence of Non-Executive Directors at the date of this report, the Committee took account of their experience, character and judgement, and their dependence or relationships with the Group. In all cases the Committee concluded that each Director was independent in character and judgement. Guidance generally used to assess independence considers the length of service, or the holding of a previous executive position within the Group, or a material business relationship with the Group, including shareholdings, to impair the perceived independence of the Non-Executive Director.

The Committee considered that Laura Ahto, Anand Aithal, Alexa Coates, David Lamb, Win Robbins and Andrew Ross continue to be Independent Non-Executive Directors and are free from any associations or relationships with the Group or its investment funds except for the fees they receive as Directors and any shares they may beneficially hold in the Company, funds or client companies. Iain Evans and Samir Ayub are Executive Directors and are not deemed to be independent of the Group or its investment funds.

Conflicts and Time Commitment

The Committee undertook a review of the other positions held by each Director to ensure that each has sufficient time to dedicate to the business of the Group. The Committee also considered if any conflicts existed which are required to be disclosed and explained.

As a result of this review the Committee concluded that the time commitments of the Directors were considered reasonable and appropriate to them performing their duties to the Company. Their outside interests were considered valuable to the Board where the Director leads on specialist areas such as finance or to provide commercial insights into the operations and business of the Company. Directors are required to obtain the prior approval of myself as Chair and thereafter ratification by the Board of additional roles, including the determination of conflicts and consideration of time commitment.

In cases where there might be concern surrounding over-boarding, it should be noted that roles with investment companies generally involve fewer Board meetings annually and have less regulatory burden compared to fully listed entities.

Re-election of Directors

The Committee carries out an annual appraisal of each Director standing for re-election; the re-election of each Director, with the exception of Win Robbins, at the AGM to be held in September 2026 is supported by the Committee and their rationale for recommending re-election of each is set out on pages 51 to 53.

David Lamb
Chair of the Nomination Committee

30 June 2026

Audit and Risk Committee Report

Alexa Coates
Chair of the Audit and Risk Committee

Committee Composition

Meeting attended	
Alexa Coates, Chair	7/7
Laura Ahto	7/7
Anand Aithal	7/7

The Committee is comprised of Independent Non- Executive Directors drawn from the Board. The Chair of the Board, Executive Directors and other senior individuals of the Group also attend the meetings by invitation, as required.

All of the Committee's members possess experience relevant to the asset management sector. The Committee members bring a strong mix of investment management, operational experience and financial expertise. As a Chartered Accountant, I bring recent and relevant financial experience to the Committee.

Dear Shareholder

I am pleased to present the Committee's Report for the year ended 31 March 2026. The Committee continued its focus on principal and emerging risks, enhancement to the internal control framework, operational resilience, and regulatory change. During the year, we oversaw a number of significant matters including heightened focus on cyber risk, ongoing roll-out of the Group's risk and control self-assessment (RCSA) programme, and the roll-out of the new vendor due diligence and monitoring programme.

We remain committed to supporting the integrity of financial reporting, scrutinising key accounting judgements, and overseeing both the internal and external audit processes.

The Committee encourages open dialogue with shareholders and if you have any comments or questions on this report, please feel free to contact me through the Company Secretary (CoSec@polarcapital.co.uk). I look forward to meeting with you to answer any of your questions at the 2026 AGM.

Audit and Risk Activities During the Year

- Reviewed the interim report and year end annual report and challenged management on significant estimates and judgements used in the process. Reviewed the prior period restatement of the half year and year-end earnings per share disclosure, the root cause analysis carried out by management and the controls implemented in response.
- Reviewed the Group's 2025 ICARA report and challenged management's assessment on scenario testing.
- Monitored and reviewed the effectiveness of the Group's internal control environment.
- Approved the 2025/26 internal audit plan, discussed issues and recommendations raised and monitored management's response to findings and recommendations.
- Considered the effectiveness and quality of the external audit process.

Audit and Risk Committee Report continued

The Committee's responsibilities

The terms of reference for the Audit and Risk Committee are set out on the Company's website and are summarised as follows:

- reviewing the contents of the Interim Report and Annual Report and advising the Board on whether, taken as a whole, they are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's performance, business model and strategy;
- reviewing the appropriateness of new accounting standards, accounting estimates and judgements, used in the preparation of the Group's Financial Statements;
- overseeing the effectiveness of the Group's internal control and risk management systems including those for the prevention and detection of fraud and recommending changes where appropriate;
- reviewing the Group's whistleblowing arrangements and ensuring that these allow proportionate and independent investigation of such matters and appropriate follow up action;
- reviewing the Group's capital adequacy and in particular, reviewing the Group's ICARA and ensuring that the Group has sufficient capital and liquidity to operate for the foreseeable future;
- reviewing the outcomes from risk and compliance monitoring and recommending changes where appropriate;
- oversight of the outsourced internal audit function including reviewing the outcomes and related recommendations and their subsequent implementation by management, as well as assessing the function's effectiveness;
- considering the effectiveness and quality of the external audit process;
- establishing and keeping under review a policy for the provision of non-audit services by the external auditors so that their independence and objectivity are safeguarded; and
- making recommendations to the Board in relation to the appointment, re-appointment and removal of the Group's external auditors.

Review of activities during the year

During the year the Committee met seven times and a detailed review of the Committee's activities is as follows:

Consideration of the Interim Report

The Committee considered the Interim Report to ensure that it was fair, balanced and understandable. The Committee also reviewed the accounting policies adopted in the interim financial statements along with significant accounting estimates and judgements.

Significant accounting estimates and judgements and matters in relation to the Financial Statements

During the year the Committee considered key accounting estimates and judgements and matters in relation to the Group's Financial Statements and disclosures as listed below:

Key accounting estimates and judgements

Consolidation of seed capital investments

IFRS 10 requires the Group to consolidate entities over which it has control. The key areas of judgement required in determining whether the Group controls an entity include:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect returns.

Where the Group has seeded funds that it manages, owns a significant proportion of those funds, and has concluded that it is acting as principal rather than as agent on behalf of third-party investors, the fund is consolidated. The accounting treatment for seed capital investments is set out in Note 2.2.

The Committee considered the approach adopted by management for each seed investment and agreed that it was appropriate.

Share-based payments

Determining the accounting charge for share-based payment transactions requires the selection of an appropriate valuation model, consideration of appropriate input criteria for the model and an estimate as to the number of awards that are likely to vest. The accounting treatment for share-based payment transactions is set out in Note 3.6 to the financial statements.

The Committee considered the valuation model chosen (the Black-Scholes Model for share options, market-price-adjusted for dividends for restricted share awards including LTIPs without TSR targets; and the stochastic model for those with such targets) and the assumptions used by management and agreed that these were appropriate.

Accounting matters

Alternative Performance Measures

The Committee reviewed the use of APMs in the Annual Report ensuring that these were necessary to provide users of the annual report with a better understanding of the Group's business.

The Committee discussed the number and benefit of each APM and were satisfied that the APMs listed by management on page 32 were appropriate.

Exceptional costs

The Committee reviewed management's classification of exceptional costs during the year.

The Committee considers management's classification of exceptional costs to be appropriate.

Prior year restatement of adjusted EPS† disclosure in the Interim and Annual reports

During the year, management identified an error in the prior disclosure of adjusted earnings per share† in the Interim Report ended 30 September 2024 and Annual Report for the year ended 31 March 2025. Whilst the error was not material to the financial statements, the Committee agreed that the comparative adjusted EPS† figures should be restated in the current year Interim Report and Annual Report, with corresponding footnote disclosure, on the basis that adjusted EPS† is a key metric for shareholders.

The Committee reviewed and agreed with management's proposed disclosure and monitored management's remediation actions.

Going Concern

The Committee considered a going concern report from management on the assessment of the Group's liquidity, timing of cashflows, forecasts of regulatory capital requirements and budgets for the year ahead. This also included consideration of the impact of severe but plausible downside scenarios on key liquidity and capital metrics.

Based on this analysis, the Committee was able to recommend the adoption of the going concern basis for the preparation of the Group's Financial Statements.

Consideration of the Annual Report

The Committee performed its role through monitoring the integrity of the Annual Report to ensure compliance with relevant and appropriate accounting standards. The scope of the audit was agreed in advance with a focus on areas of audit risk and an appropriate level of audit materiality. The external auditors reported on the results of the audit work to the Committee at its June 2026 meeting and highlighted that no material issues had been discovered based on the audit work performed.

The production and the audit of the Group's Annual Report is a comprehensive process requiring input from a number of contributors with detailed controls and sign offs.

The Committee supports the Board by considering and forming an opinion to assist the Board in reaching conclusions that the Annual Report is fair, balanced and understandable and that the adoption of the going concern basis is appropriate.

In performing this work the Committee has given consideration to the following:

- the control framework over the production of the Group's Financial Statements;
- the extent to which the results and outlook for the Company, as described in the Strategic Report and considered in light of other internal reports and financial projections, fairly reflect the results for the year;
- the level of detail and disclosure around the Group's Key Performance Indicators and how these correlate to its use of non-GAAP Alternative Performance Measures to ensure that the latter are clearly defined and reconciled to IFRS measures;
- the detailed levels of review undertaken in the production process by management and the Committee.

As a result of the work performed, the Committee has concluded that the Annual Report for the year ended 31 March 2026, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy, and has reported on these findings to the Board.

The terms of the letter of representation to the external auditors were also considered and recommended to the Board for approval.

† The non-GAAP and alternative performance measures shown here are described on page 32 and reconciled on page 33.

Audit and Risk Committee Report continued

Risk management and internal controls

The Committee is responsible for assisting the Board in maintaining an effective internal control environment. To discharge this responsibility, the Committee receives regular reports on the Group's compliance, risk and internal control procedures. This includes outcomes from the Group's risk and control self-assessment (RCSA) programme and its compliance and risk monitoring programme.

The RCSA programme progressed well during the financial year, with assessments completed across the majority of the business units during the year. The Committee monitored the implementation of the programme, the development of business identified risks and management's response to items identified through the process.

Risk monitoring programmes are in place against the principal risks with the outcomes of testing shared with the relevant internal control committees. Operations and Compliance Risk Maps provide a measure of the principal risks and a Red Amber Green (RAG) status based on the level of risk against risk appetite and likelihood, alongside mitigating controls in place. The Group's principal risks are reviewed by the Committee on a quarterly basis.

During the year, the Committee received updates on the implementation of a horizon scanning and emerging risk programme rolled out in December 2025 aligned to the Group's three lines of defence model, with responsibility for identifying regulatory developments embedded within the First and Second Lines.

The Economic Crime and Corporate Transparency Act (ECCTA), which is aimed at strengthening the UK's framework for combating economic crime and enhancing corporate transparency, came into effect in September 2025. The Committee reviewed management's assessment of compliance with the act, including principal risks identified and implementation of recommendations arising from the review.

The Committee reviewed the draft ISAE 3402 report on the Group's internal control environment for the period 1 January 2025 to 31 December 2025. The independent service auditor's report was unqualified, with no exceptions identified, and the Committee recommended it to the Board for approval.

The Committee also reviewed the Group's operational resilience framework, including its outsourcing arrangements, and business continuity plans during the year. Reflecting the heightened external threat environment, the Committee added cyber risk management as a standing item on its agenda during the year.

An annual report on the oversight of outsourcing to third parties was considered, alongside updates to the internal risk management framework and management's implementation of a formalised vendor oversight programme.

Capital adequacy

The Committee reviewed the 2025 ICARA report during the year and challenged management's assessment of several stress scenarios and their impact on the financial position as well as the assessment of a wind down scenario for both the Group and its UK regulated entity. The Committee also reviewed a forward-looking analysis of the Group's cash and capital positions. Based on the review, the Committee concluded that the Group maintains sufficient capital and liquidity and recommended the ICARA for Board approval.

Regulations

The Committee receives regular reports on upcoming regulatory changes, including any actions required to ensure compliance, as well as the impact of regulatory changes implemented during the year. These updates also include a summary of anti-money laundering-related matters.

Whistleblowing

The Chair of the Committee is the Whistleblowing Champion and ensures that, should any reports be received, these are investigated appropriately. The Committee has reviewed the Whistleblowing Policy. To support a culture of transparency and accountability, staff are reminded annually, through formal training, of the Policy and the procedures for reporting concerns.

Internal audit

Internal audit services were provided by EY following their appointment as the Group's internal auditor with effect from 1 March 2025. The Committee approved the internal audit plan for the financial year 2026 and received updates from EY at each committee meeting on progress of testing in accordance with the audit plan.

During the year, EY carried out reviews of the Group's framework for the failure to prevent fraud, remuneration governance and controls, and the effectiveness of best execution arrangements. Internal Audit also undertook work on the Group's cyber strategy and governance, third-party risk management and vendor oversight. The Committee received an in-depth presentation from EY on the evolving cyber threat landscape, and considered the lessons learnt from a number of high profile cyber incidents reported across the industry.

The Committee reviewed the internal audit reports, the findings and recommendations, and held a number of private sessions with EY. The Committee also monitored the progress of management's actions through the established follow-up process.

External auditors

PwC were re-appointed as our external auditors for the financial year 2026 at the AGM held in September 2025. The lead audit engagement partner rotated during the year in accordance with regulatory requirements and PwC's partner rotation policy.

The effectiveness of the external auditors is monitored by the Committee during the year with a focus on the planning of the audit work, the quality of reporting and the quality and knowledge of staff. The Committee reviews any changes in the terms of the external auditors appointment and considers, among other matters, their performance, qualification, knowledge, expertise and resources. The external auditors' independence was also considered. This evaluation has been carried out throughout the year by meetings held with PwC, a review of the audit process, and discussions with management and others involved in the audit process.

Regular one-to-one meetings between the new lead audit partner, Jeremy Jensen, and myself were held throughout the year and PwC also met privately with the Committee.

The Committee also reviewed and approved the audit fee for the year for the Company and its subsidiaries, ensuring that it was commensurate with the scope of work required. The Committee was satisfied that the proposed fee represented fair value and reflected current market conditions for a listed asset management group.

Based on the satisfactory conclusion of the work described above, the Committee has recommended PwC's reappointment to the Board and a resolution will be proposed at the 2026 AGM for their reappointment.

Non-audit work

A policy for non-audit services has been established to safeguard the independence and objectivity of the Group's external auditors. The policy provides that certain non-audit services are not permitted under any circumstances and that the Committee is required to consider and pre-approve any material non-audit services before the external auditor is engaged, subject to certain limits. The aggregate of fees for non-audit services shall not exceed 70% of the average of the last three years' audit fees.

The Audit and Risk Committee receives an annual report on the non-audit services provided by the external auditors and also considers any issues arising in respect of independence. No issues were noted and therefore the Committee members are comfortable that the objectivity and independence of the external auditors have been maintained.

Alexa Coates

Chair of the Audit and Risk Committee

30 June 2026

Remuneration Committee Report

Win Robbins
Chair of the Remuneration Committee

Committee Composition

Meetings attended	
Win Robbins, Chair	5/5
David Lamb	5/5
Andrew Ross	5/5

The Committee comprises three independent Non-Executive Directors. By invitation of the Committee, meetings are also attended by the CEO, CFO, Head of HR and the Group Company Secretary (who acts as secretary to the Committee), who are consulted on matters discussed by the Committee, unless those matters relate to their own remuneration.

Other non-executive directors may be invited to attend meetings. Advice and information can also be sought directly from other employees where the Committee feels that such additional contributions will assist the decision-making process.

The Committee also consulted with the CEO, CFO and Head of HR on Group wide staff remuneration and incentive arrangements and participated in various salary data reviews and obtained market data from various sources.

Dear Shareholder

On behalf of the Board and the Remuneration Committee (the Committee), I have pleasure in presenting the Committee's Report for the year ended 31 March 2026.

The Company is not listed on the Main Market and therefore is not subject to the Large and Medium Sized Companies and Group (Accounts and Reports) (amendment) Regulations 2013. Although the Company does not have to prepare a Directors' Remuneration Report, the Committee wishes to ensure that shareholders have a clear understanding of the remuneration paid by the Company and how the Committee has discharged its obligations. Therefore, in line with Main Market practice, this report comprises three sections:

- This Annual Statement which sets out the key Remuneration Committee considerations during the year and a summary of the performance outcomes for the financial year 2026;
- The Directors' Remuneration Policy which describes the parameters in which Executive and Non-executive Directors are paid; and
- The Annual Report on Remuneration which sets out in detail, the pay and performance outcomes for the financial year 2026 and how we intend to apply the policy during the financial year 2027.

During the year, the Committee considered the QCA Corporate Governance Code and its guidance on remuneration voting (Principle 9). Our remuneration report provides comprehensive disclosures of our pay policy and how directors have been paid and we continue to believe that the current approach of putting the remuneration report to a single advisory shareholder vote at the Annual General Meeting remains appropriate and is proportionate for a company of Polar Capital's size and scale. This provides shareholders with a mechanism to indicate their views on our pay arrangements. The current Remuneration Policy remains unchanged, following the change in leadership at the Company during the year. The Committee will keep under review the guidance to put our Remuneration Policy to a separate shareholder vote as market practice in this area develops.

The Company values shareholders' views and welcomes their feedback.

As discussed in the Nomination Committee report, I will not be standing for re-election at the AGM in September 2026 having reached the end of my nine-year tenure. It has been a privilege to serve in the role and I would like to thank the Board and our shareholders for their support during my tenure.

Remuneration Committee activities during the year

The Committee met five times in the year ended 31 March 2026 and discussed the following:

- Received an update from the Committee's independent adviser on pay governance, the QCA guidelines, market practice and investor views.
- Agreed the measures and targets for the 2025 LTIP awards and the bonus for the year ended 31 March 2026.
- A review of performance outcomes for the year ended 31 March 2025:
  - The Committee established the bonus payouts and LTIP vesting outcomes which were contingent on performance in the financial year ended 31 March 2025.
  - The Committee also considered the Executive Directors' recommendations for discretionary bonus awards to staff.
- The Committee also considered the expected annual bonus outcomes for the financial year 31 March 2026 and the design of the 2027 bonus scheme, which was concluded following the year-end.
- Agreed the compensation arrangements related to the CEO succession that took place during the year.
- The structure of senior executive packages and the cascade of incentives down the business. This included a benchmarking review of the base salary for the Executive Directors following which the base salary of the CFO was revised to £300,000 effective 1 October 2025 (2025: £264,000) to reflect his contribution, responsibilities and experience in the role.
- Agreed a revision to the structure of the Company SAYE scheme which was reduced from a five-year to a three-year scheme and will take effect from the 2026 grants.

Following the year end, the Committee has reviewed and approved performance outcomes for the year ended 31 March 2026.

Changes to remuneration

There were no changes to the remuneration policy for the financial year 2026.

CEO succession

During the year, Gavin Rochussen informed the Board of his intention to retire as CEO after eight years in the role. Gavin stepped down from the Board following the AGM in September 2025.

Gavin received an annual bonus for the year ended 31 March 2025 but did not participate in the annual bonus award for 2026 and was not granted an LTIP in 2026. As a retiree and good leaver, Gavin retained an interest in his outstanding share awards and his LTIP awards will vest on their normal vesting dates subject to performance assessment and a pro rata reduction.

Iain Evans, having been granted regulatory approval, was appointed CEO and joined the Board as an Executive Director following the AGM. Iain's base salary was set at the same level as Gavin's and he received a top up LTIP award to reflect the new role and uplift in base salary.

As part of the succession considerations, the Committee considered individual responsibilities, experience of the senior management team and relative salary positioning and, in this context, decided to increase Samir Ayub's base salary from £264,000 to £300,000. While this decision was based on Samir's performance, experience and wider responsibilities, the Committee drew comfort from an independent benchmarking exercise which showed that Samir's new salary brings him closer to mid-market levels.

Remuneration outcome for the year ending 31 March 2026

Business context

Average AuM for the financial year 2026 were £26.0bn representing a 14% increase compared to the prior year, reflecting favourable market movements, investment performance, and a significant turnaround in net inflows in selected strategies.

Over the full year core operating profit increased by 11% to £62.8m (2025: £56.7m), driven by higher management fees underpinned by the higher average AuM base and continued cost discipline. Against ongoing industry headwinds, particularly within the equity sector, the Group performed well relative to its UK peers in terms of both profitability and net flows.

Firmwide

As a result of the Group's improved financial performance in the year ended 31 March 2026, overall variable compensation costs were higher than in the prior year. While total staff compensation costs increased by 18% year on year, a key element of the increase was due to higher performance fee related staff payments. Group compensation costs excluding performance fee interests increased by 12% year-on-year. This reflects the alignment of the Group's remuneration framework with financial outcomes and the need to retain and reward key talent in a competitive industry environment.

Remuneration Committee Report continued

Annual bonus

The annual bonus for senior executives, including the Executive Directors was based on a balanced scorecard set by the Committee by reference to pre-determined financial and non-financial targets.

Based on performance, the outcome of the annual bonus scorecard was 73% of the maximum for Iain, and 75% of the maximum for Samir. The 2026 bonus is higher than last year (55%-57.5% of maximum), with the main driver being an increase in the net flow metric. See page 83 for full disclosure on the scorecard outcomes.

The core operating profit and fund performance metrics were partially met and the net flows outcome was above maximum. Combined with non-financial performance against specific strategic and personal bonus objectives, the bonus outcome of 73%-75% of maximum was a little above on-target performance for the year. The Remuneration Committee believes this outcome appropriately reflects the financial and operational performance of the Company both in the context of challenging market conditions during the year and performance relative to peers.

No discretion was applied by the Remuneration Committee in determining the annual bonus outcomes.

Long Term Incentive Arrangements (LTIP)

The 2023 LTIP award, which was granted to the executives on 16 July 2023, will vest in July 2026. These awards were subject to continued employment and the achievement of two measures:

- Adjusted Diluted Earnings per Share (EPS) condition (50%),
- Relative total shareholder return (TSR) measure (50%)

The threshold EPS target was exceeded and therefore 100% of this part of the award will vest. Polar's three-year TSR gives a ranking within the upper quartile against the peer group and 100% of this part of the award will vest. The overall vesting is, therefore 100% of the total award.

The Committee believes the LTIP outcome reflects the financial delivery over the period and the share price performance over the vesting period. No discretion was applied by the Committee to the formulaic outcome. See page 83 for full disclosure on the performance targets and outcomes.

Remuneration approach for the year ending 31 March 2027

Base salaries, benefits and pension

The Committee considers the general workforce increase when determining the increase that should apply for Executive Directors. For financial year 2027, Executive Directors' salaries have increased by 3.5% from 1 April 2026 which compares to a general workforce increase of 3.5%.

Benefits for the Executive Directors comprise private medical cover, life insurance and income protection to cover long-term illness. These will remain unchanged. Pension provision remains unchanged at 10% of salary which is in line with the contribution level for the wider workforce.

Annual bonus

The maximum opportunity for Executive Directors will remain unchanged at 250% of salary. The performance measures for 2026/27 will continue to be based on:

- 40% on Financial KPIs (core profit),
- 20% on key Non-financial KPIs (incorporating net inflows and fund performance),
- 20% on the achievement of team based strategic KPIs, and
- 20% on personal objectives.

The Committee believes the choice of measures and their relative weightings provides for a rounded assessment of performance for the benefit of stakeholders over the longer term. Consistent with the prior year, 50% of any bonus earned in respect of 2027 will be deferred in shares.

LTIP awards

A 250% of salary cap applies for the CEO and 200% of salary for the CFO. The 2027 awards will be set at 100% of the maximum cap.

The Committee reviewed the performance metrics for the 2027 LTIP award and has decided to retain the existing performance measures:

- 35%: adjusted diluted total EPS
- 35%: relative total shareholder return
- 10%: cumulative net flows
- 20% strategic progress

These awards will vest after three years, subject to performance conditions, and a two-year holding period will apply.

Conclusion

The Remuneration Committee has considered the above proposals carefully and is satisfied that the proposed approach is appropriate and takes into account investor sentiment on pay and feedback received.

The Committee encourages open dialogue with shareholders and if you have any comments or questions on this statement and the following report, then please feel free to contact me through the Company Secretary (CoSec@polarcapital.co.uk).

I look forward to your support at the 2026 AGM.

Win Robbins

Chair of Remuneration Committee

30 June 2026

Directors' remuneration policy

The Remuneration Committee considers Directors' remuneration as part of the overall aim of the Group's remuneration strategy which is to provide appropriate incentives that reflect the Group's high-performance culture and values. In summary, the Committee aims to:

- attract, retain and motivate high-calibre, high performing Directors and employees; and
- encourage strong performance and engagement, both in the short-term and the long-term, to enable the Group to achieve its strategic objectives.

The Directors' total remuneration package is structured so that a significant proportion is linked to performance conditions measured over both the short-term and longer-term.

When setting the levels of short-term and long-term variable remuneration and the balance of equity and cash within the package, consideration is given to obtaining the appropriate balance so as not to encourage unnecessary risk-taking, whilst ensuring that performance hurdles are suitably challenging.

The table below summarises the key aspects of the Group's Director remuneration structure and policy for the financial year 2027:

Executive Directors' remuneration

Fixed pay

Base Salary	Pension	Benefits
Purpose and link to strategy To attract and retain Executive Directors of a suitable calibre for the duties required by being market-competitive.	**Purpose and link to strategy** To provide market-competitive benefits.	**Purpose and link to strategy** To provide market-competitive benefits.
Policy summary Normally reviewed annually by the Committee, with increases taking effect from April, taking account of Company performance, individual performance, changes in responsibility and levels of increase for the broader staff population. The Committee considers the impact of any basic salary increase on the total remuneration package.	**Policy summary** Defined contribution or cash in lieu of pension equal to 10% of base salary. This is in line with the contribution provided to all staff.	**Policy summary** The Company typically provides the following: • private medical cover; • life insurance; and • income protection scheme to cover long-term illness.
2027 approach CEO: £420,750 (2026: £406,500) CFO: £310,500 (2026: £300,000 post mid-year review)	**2027 approach** 10% of base salary.	**2027 approach** • private medical cover; • life insurance; and • income protection scheme to cover long-term illness.
Commentary relative to 2026 approach Salary increased by 3.5% which compares to a general workforce increase of 3.5%. 2026 increases were lower than the general workforce increase.	**Commentary relative to 2026 approach** Unchanged.	**Commentary relative to 2026 approach** Unchanged.

Remuneration Committee Report continued

Executive Directors' remuneration (continued)

Variable pay

Annual Bonus and Deferred Remuneration Plan (DRP)

Purpose and link to strategy
To drive and reward performance against annual objectives which are consistent with the strategy and align to shareholder interests.

The DRP provides a deferral element to variable compensation above a certain level to ensure there is a link to the longer-term performance of the Company.

Policy summary
The annual bonus opportunity is capped at 250% of base salary for Executive Directors.

The bonus measures will normally comprise a mix of financial and non-financial performance and personal contribution, aligned to the overall success of the Group.

In respect of the bonus earned, 50% of the bonus amount (after tax) is deferred in shares.

These deferred shares are held until the first, second and third anniversaries and then released subject to continued employment or good leaver provisions.

2027 approach
The maximum bonus opportunity will be 250% of salary for Executive Directors.

For financial year 2027, the measures will be:

- 40% on core operating profit,
- 20% on non-financial KPIs (net inflows and fund performance),
- 20% on strategic objectives and
- 20% on personal objectives.

Long-term incentives (LTIP)

Purpose and link to strategy
To encourage and reward delivery of the Company's long-term strategic objectives and provide alignment with shareholders.

Policy summary
Executive Directors may receive LTIP awards with a value of up to 250% of salary for the CEO and 200% of salary for the CFO and other Executives. These are maximum award levels and may be subject to any potential downwards adjustment by the Remuneration Committee.

The LTIP awards may be structured as conditional shares and/or forfeitable shares or nil/nominal cost options which vest after 3 years subject to performance and continued employment (subject to good leaver provisions). Vested awards are subject to a two-year holding period.

Vesting of LTIP awards is determined by reference to performance assessed over a period of at least three years. Performance measures may include financial metrics, share price-related measures, or other strategic objectives. Prior to each grant, the Committee will determine the measures that will apply and that they are aligned with the Company's strategic objectives and long-term shareholder value. Up to 25% of the award may vest for threshold performance.

These awards are subject to Malus and Clawback provisions which enable the Remuneration Committee to recover or withhold LTIP awards if the Committee forms the view that there has been a material misstatement of financial results, an error in assessment of any performance condition or in the event of serious misconduct prior to the date of vesting that could have resulted in summary dismissal.

The Committee considers the year-on-year change in share price when determining the number of awards to grant.

2027 approach
CEO: will receive an award with a face value of 250% of base salary.

CFO: will receive an award with a face value of 200% of base salary.

For financial year 2027, the measures will be:

- 35%: adjusted diluted total EPS for FY29 with threshold set at 69p (25% vesting) and maximum at 115p (100% vesting),
- 35%: relative total shareholder return against the constituents of the FTSE 250 excluding investment trusts,
- 10%: Cumulative net flows in two key geographic areas over the performance period with the range being £1.5bn (25% vesting) - £3.5bn (100% vesting),
- 20%: Strategic progress towards enhancing the investment proposition for investors. This will include a combination of quantitative and qualitative assessment of progress made towards growth and diversification in priority markets (10%), talent development and succession depth (5%) and data/AI enabled scale and productivity (5%).

Non-Executive Directors remuneration

Fixed pay

Fee paid in cash

Purpose and link to strategy
To attract and retain a high-calibre Chair and Non-Executive Directors by offering a market-competitive fee level.

Policy summary
The Chair is paid a single fee for all his responsibilities. The Non-Executives are paid a basic fee assessed on their contribution and level of responsibilities.

The level of these fees is reviewed periodically by the Committee with reference to market levels and agreed by the CEO in respect of the Chair and by the Chair and the CEO for the Non-Executive Directors.

The Committee, in reviewing these fees, considers the extra work undertaken by the Chairs of the Board Committees and may pay an additional fee to reflect these responsibilities if felt appropriate.

2027 approach
Chair: £177,200 p.a. (2026: £171,175 p.a)

Non-Executive: £71,100 p.a. (2026: £68,675 p.a)

Additional payment for the Chair of the Audit & Risk Committee: £15,900 p.a. (2026: £15,375 p.a.)

Additional payment for the Chair of the Remuneration Committee: £12,025 p.a. (2026: £11,620 p.a.).

Commentary relative to 2026 approach
3.5% increase in line with the increase applied to the Executive Directors and the general workforce.

Service contracts and payments for loss of office

Executive Directors

The Committee reviews the contractual terms for new Executive Directors to ensure that these reflect best practice.

Service contracts normally continue until the Executive Director's agreed retirement date or such other date as the parties agree. The service contracts contain provision for early termination. Notice periods given by the employing Company are limited to 12 months or less.

An Executive Director's service contract may be terminated without notice and without any further payment or compensation, except for sums accrued up to the date of termination, on the occurrence of certain events such as gross misconduct.

If the employing Company terminates the employment of an Executive Director in other circumstances, compensation is limited to salary due for any unexpired notice period and any amount assessed by the Remuneration Committee as representing the value of other contractual benefits (including pension) which would have been received during the period. Payments in lieu of notice are not pensionable. In the event of a change of control of the Company there is no enhancement to contractual terms.

Non-Executive Directors

The Non-Executive Directors have letters of appointment, setting out the terms and conditions of their appointment. In accordance with the Company's Articles of Association, a Non-Executive Director's appointment shall continue, subject to satisfactory performance and annual re-election by shareholders, for such number of further terms as the Board determines is appropriate, taking into account the recommendations and guidance set out in the QCA Corporate Governance Code (or such other Corporate Governance Code as may be adopted and applied by the Company). Re-appointment is not to be considered automatic and each Director's contribution will be carefully assessed annually. The letters of appointment provide for termination of the Director's appointment under certain circumstances and, in all cases, without any compensation other than their notice period (3 months).

None of the Non-Executive Directors have any ongoing direct financial or contractual interests in the Company other than their fees and shareholdings as disclosed in this report.

Indemnity/Insurance

The Company has granted a Deed of Indemnity to each Director in respect of liabilities that may attach to them in their capacity as Directors of the Company. This indemnity covers any liabilities that may arise to a third party for negligence, default or breach of trust or duty. This Deed of Indemnity is a qualifying third-party provision (as defined by section 234 of the Companies Act 2006) and was in force for the entire year under review for the Directors who were in office at the year end, and were in force at the date of approval of this report and will continue to be in force for all Directors. A copy is available for inspection on the Company's website and will be available at the AGM.

The Group maintains Directors' and Officers' liability insurance, which is reviewed annually to ensure that cover is held at an appropriate level.

Remuneration Committee Report continued

Annual report on remuneration

The table below sets out the remuneration received by the Directors for the financial year ended 31 March 2026 and, for comparison, the amounts received in the financial year ended 31 March 2025.

Single Figure of Total Remuneration-Executive Directors (audited)[1]

	Iain Evans[2]		Gavin Rochussen[2]		Samir Ayub	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Executive Directors	£'000	£'000	£'000	£'000	£'000	£'000
Fixed remuneration						
Salary & fees	203	N/A	203	397	282	258
Taxable benefits	3	N/A	2	4	5	4
Pension and other payments in lieu	20	N/A	24	51	28	26
Total fixed remuneration	226	N/A	229	452	315	288
Variable remuneration						
Annual bonus[3]	371	N/A	-	545	529	370
Long term incentive and share options[4, 5]	720	N/A	1,225	263	655	137
Total variable remuneration	1,091	N/A	1,225	808	1,184	507
Total remuneration	1,317	N/A	1,454	1,260	1,499	795

1. Only the total remuneration and the remuneration of the highest-paid Director from the above table have been audited.
2. Gavin stepped down from the Board and as CEO on 25 September 2025 and Iain Evans joined the Board and was appointed CEO on that date. The figures disclosed reflect the period for which both individuals were executive directors of the Board.
3. The short-term incentive is awarded as an annual cash bonus with deferment in accordance with the remuneration policy. The amounts disclosed in the table include both cash and deferred elements.
4. The LTIP value for 31 March 2026 in the table corresponds to the upcoming vesting of the LTIP award granted in July 2023 which will vest at 100% of maximum. As these awards will vest after this report has been signed off, the value of these awards has been estimated based on the average share price over the three-month period ending 31 March 2026 – 611 pence. The values will be updated for the actual share price on vesting (16 July 2026) in next year's report. For Iain Evans, the 2026 LTIP value reflects the estimated vesting value of the LTIP award he was granted prior to joining the Board. The 2025 LTIP values have been updated to reflect the actual share price on the date of vesting 16 July 2025 – 474 pence).
5. As a retiree and good leaver, Gavin retained an interest in his outstanding share awards and his LTIP awards will continue to vest on their normal vesting dates subject to performance assessment and a pro rata reduction to reflect the portion of vesting period during which he remained employed. The 2023 LTIP award has vested at 100% and has been time prorated to 35/36ths of the shares that vested.

Single Figure of Total Remuneration- Non-Executive Directors

	31 March 2026 £'000						31 March 2025 £'000					
Non-Executive Directors at year end	David Lamb	Alexa Coates	Win Robbins	Andrew Ross	Laura Ahto	Anand Aithal	David Lamb	Alexa Coates	Win Robbins	Andrew Ross	Laura Ahto	Anand Aithal
Fixed remuneration												
Salary & fees	171	84	80	69	69	69	167	82	78	67	67	67
Taxable benefits	–	–	–	–	–	–	–	–	–	–	–	–
Total (audited)	171	84	80	69	69	69	167	82	78	67	67	67

Variable pay for the year ended 31 March 2026

Annual Bonus Awards for the year ended 31 March 2026

The Committee considered the Executive Directors' performance against the targets and objectives set at the start of the year. Gavin Rochussen, as outgoing CEO, did not participate in the bonus scheme and Iain Evans's reported bonus outcomes reflect the period following his appointment to the Board to 31 March 2026. Based on performance over the year, bonuses of 73% of maximum or 182.5% of salary will be payable to the CEO, and 75% of maximum or 187.5% of salary will be payable to the CFO.

40% of the bonus was based on core operating profit, 20% was based on performance against two non-financial KPIs and the remaining 40% on the achievement of key team and individual strategic objectives.

Financial KPI 40%

Core Operating profit:
40%

Results:
Partially met

Impact on bonus:
33% out of 40% awarded

25% of this part of the bonus would be achievable for core operating profit of £53.6m rising to full pay-out for profit of £65.6m or higher. The targets were set by reference to the Group's budgeted core operating profit and the targets were adjusted for market movements.

Core operating profit of £62.8m resulted in 33% (out of 40%) of this element becoming payable.

Non-Financial KPI 20%

Net Flows	Funds performance
10%	**10%**
Results: **Fully met**	Results: **Partially met**
Impact on bonus: **10% out of 10% awarded**	Impact on bonus: **3% out of 10% awarded**

Net inflows

25% of this part of the bonus would be achievable for net inflows of £0.27bn rising to a 100% payout for net inflows of £0.64bn or higher. There were net inflows of £0.9bn during the year and therefore this resulted in 10% (out of 10%) of this element becoming payable.

Funds performance

Based on six measures for fund performance on open ended UCITs over rolling one, three and five years. For the current performance period, two out of six targets were met. This resulted in 3% (out of 10%) of this element becoming payable.

Remuneration Committee Report continued

Strategic objectives: 20%

20%

Team-based component of Executive Director annual bonus scorecard.

Criteria and Assessment of outcomes

(1) Revitalise or close subscale funds and strategies

Plans put in place for areas of improvement and action on several subscale funds.

(2) Distribution

Specific targets set for the Polar Capital Smart Energy fund were exceeded and close to maximum targets for expanding the US client base were achieved. Three investment trust corporate actions executed successfully with more than 50% of assets being retained.

(3) Continued focus on operational resilience

Achieved targets based on the number of total errors being lower than the average of the previous three years and the gross cumulative impact of errors during the year.

(4) Search with a view to procuring a world-class equities team for the US market

Numerous opportunities for new investment team capabilities have been considered during the year ranging from fund manager hires, team lift outs and inorganic opportunities. Work in this area continues and therefore this target was only partially achieved.

(5) Continued focus on improving ESG credentials

Currently estimated at approximately 55% net reduction by the end of FY26 compared with the 2024 base year, exceeding the Group's 2030 target of a 42% reduction in Scope 1 and 2 emissions as part of the broader corporate climate strategy.

(6) Continued focus on Consumer Duty principles across all Polar activities

Lead taken on Consumer Duty discussions and considerations throughout the product life cycle and consumer journey.
The embedded process is now being delivered through relevant Committee.

(7) Focus on skills development and succession planning for key roles

Trialled a new manager training programme, which will be rolled out more broadly over the coming year. Coaching programmes for key roles are underway. A new appraisal system and format have been introduced to ensure enhanced performance-related conversations.

The Remuneration Committee determined that while progress had been made on several strategic objectives, others had been only partially met and, therefore, 11% (out of a maximum of 20%) should be awarded.

Personal objectives: 20%

20%

Personal component of Executive Director annual bonus scorecard.

Director and Assessment of outcomes

Iain Evans - CEO

A revised organisational leadership structure has been successfully implemented and embedded, including the establishment of a smaller ExCo. This has strengthened accountability and supported improved clarity of decision-making and execution.

The transition of Distribution leadership has been managed effectively, ensuring continuity and maintaining momentum.

Good early progress has been made in strengthening Polar's culture through clear and regular communication, including three in-person, all-staff updates.

The Group strategy has been clearly defined and communicated to the Board and wider stakeholders, providing strong direction and prioritisation.

Given the achievement against personal objectives, the Committee confirmed a personal bonus scorecard outcome of 16% (out of a maximum of 20%) for the CEO.

Samir Ayub - CFO

Played a constructive role in supporting the post-succession transition, providing ad hoc advice to the CEO on the delivery of strategic changes and internal messaging. He has also contributed to the strategic review.

Maintained and further developed relationships with key investors and covering analysts over the period, supporting effective market engagement and understanding around the CEO transition and also when announcing the Company's first share repurchase programme.

Ensured strong continuity and stability within the Finance function and longer-term resourcing has been well managed. The outsourced internal audit programme has embedded effectively over its first year, with delivery by EY operating to a high standard.

Supported delivery of key elements of the People Strategy, including the rollout of a new HR system enabling more timely and detailed feedback across the organisation.

Given the achievement against personal objectives, the Committee confirmed a personal bonus scorecard outcome of 18% (out of a maximum of 20%) for the CFO.

Total outcome

100%

The total outcome for the Annual Bonus Awards for the year ended 31 March 2026 is as follows:

	CEO[1]	CFO[2]
Cap	250% of base	250% of base
Base Salary	£406,500	£282,000
Maximum bonus opportunity (A)	**£1,016,250**	**£705,000**
Summary of outcomes for the year ended 31 March 2026	**% Achieved**	**% Achieved**
Financial KPIs (40% weighting)		
Core Operating profit	33%	33%
Non-Financial KPIs (20% weighting)		
Net inflows	10%	10%
Fund Performance	3%	3%
Strategic KPIs (20% weighting)		
Strategic objectives	11%	11%
Personal objectives (20% weighting)		
Personal objectives	16%	18%
Total outcome for the year (B)	**73%**	**75%**
2026 Actual bonus (A x B)	**£370,900** (2025: N/A)	**£528,800** (2025: £370,000)

1. Disclosures for bonus awards are time-prorated for Iain Evan's tenure as CEO and Executive Director effective from 25 September 2025.
2. Effective 1 October 2025 base pay was revised to £300,000 following a mid-year review, taking into account contribution, responsibilities and experience in the role. The base salary used to calculate the bonus outcome for the full year is the time-prorated average salary for the full year.

In accordance with the deferment arrangements, 50% of the annual bonuses awarded to Executive Directors will be deferred, after payment of tax, into the Company's shares which, subject to leaver forfeiture provisions, will be released to the respective Directors in one-third tranches over the following three years. As the bonuses are cash awards, tax is deducted at the time of payment and therefore the deferment is of the net amount. Executive Directors are entitled to receive dividends on their shares held under deferment.

2023 LTIP awards vesting outcome

Awards were granted to Iain Evans, Gavin Rochussen, Samir Ayub and selected senior executives on 16 July 2023 under the Long Term Incentive Plan. These were based on three-year adjusted diluted EPS performance (50%) and a relative TSR condition (50%) for the year ended 31 March 2026.

The outcome of the performance targets for the year ended 31 March 2026 are as follows:

Performance targets	Weightings	Actual performance	Weighted LTIP outcome
Adjusted diluted EPS: 45p (25% vesting) to 51.75p (100% vesting)	50%	57.8p	50%
TSR: median ranking (25% vesting) to upper quartile (100% vesting)	50%	Upper quartile	50%
Total Outcome			100%

The performance targets were fully achieved and therefore the proportion of shares weighted in line with the actual performance outcomes achieved will vest, as set out below.

Remuneration Committee Report continued

Vesting outcome

2023 LTIP awards	Grant date	No. of shares awarded	Vesting percentage	No. of shares vesting[1]	Vesting date	End of holding period
Iain Evans	16 July 2023	117,773	100%	117,773	16 July 2026	16 July 2028
Gavin Rochussen[1]	16 July 2023	206,103	100%	200,378	16 July 2026	16 July 2028
Samir Ayub	16 July 2023	107,066	100%	107,066	16 July 2026	16 July 2028

1. As a retiree and good leaver, Gavin retained an interest in his outstanding share awards and his LTIP awards will continue to vest on their normal vesting dates, subject to performance assessment and a pro rata reduction to reflect the portion of vesting period during which he remained employed. The 2023 LTIP award has vested at 100% and has been time-prorated to 35/36ths of the shares that vested.

Payments for outgoing CEO

Gavin Rochussen stepped down as CEO and as an Executive Director on 25 September 2025. Gavin remained employed until the end of his notice period in June 2026 and continued to receive his base salary, benefits and pension contribution until cessation. He did not receive a payment in lieu of notice.

Following his retirement, Gavin was designated a good leaver in respect of his outstanding share awards.

At the point of stepping down as an Executive Director, Gavin held 58,133 deferred bonus awards which will vest on their normal vesting dates. He also held 24,879 vested LTIP awards, granted in 2022, that are subject to a two-year holding period that will end in July 2027. He also held 206,103 unvested LTIP awards granted in 2023 and 167,399 unvested LTIP awards granted in 2024 and these will vest in July 2026 and July 2027 respectively, subject to performance and a pro rata reduction for time in employment. Any vested LTIP awards will be subject to a two-year holding period.

Directors' interests in the shares options and shares of the Company

Interest through Share Options

Details of the options held by the Directors and any movements during the year are as follows:

Grant date	Number of options at 1 April 2025	Number of options granted in the year	Number of options exercised in the year	Number of options lapsed in the year	Number of options at 31 March 2026	Earliest exercise date	Latest exercise date	Market value of shares at grant date (£)	Exercise price (£)
Samir Ayub									
17/07/2017	60,000	–	–	–	60,000	17/07/2021	17/07/2027	4.40	4.27
16/07/2018	40,000	–	–	–	40,000	16/07/2022	16/07/2028	6.70	6.84
	100,000	–	–	–	100,000				

The Executive Directors also have interests in the shares of the Company by their participation in the LTIP arrangements and deferment applied to short-term bonuses. Details of these interests are set out in the relevant sections.

Interest through Bonus Deferment

Part of the annual bonus payments are deferred, net of tax, in the shares of the Company and are released in equal tranches over three years – one third on each of the first, second and third anniversary of the deferment.

Year of deferral	Number of shares at 1 April 2025	Market value of shares at deferral date (£)	Net value of deferment for the year (£)	Share price at deferral date (£)	Number of shares at deferral date	Number of shares released during the year	Number of shares held at 31 March 2026	Earliest release date	Latest release date
Iain Evans[1]									
2022	4,645	77,998	–	–	–	(4,645)	–	01-May-23	01-May-25
2023	12,840	91,819	–	–	–	(6,420)	6,420	01-May-24	01-May-26
2024	9,537	52,469	–	–	–	(3,179)	6,358	01-May-25	01-May-27
2025	–	–	108,120	3.91	27,629	–	27,629	01-May-26	01-May-28
	27,022				27,629	(14,244)	40,407		

Year of deferral	Number of shares at 1 April 2025	Market value of shares at deferral date (£)	Net value of deferment for the year (£)	Share price at deferral date (£)	Number of shares at deferral date	Number of shares released during the year	Number of shares held at 31 March 2026	Earliest release date	Latest release date
Samir Ayub[2]									
2022	5,156	86,580	–	–	–	(5,156)	–	01-May-23	01-May-25
2023	11,673	83,475	–	–	–	(5,837)	5,836	01-May-24	01-May-26
2024	13,005	71,548	–	–	–	(4,335)	8,670	01-May-25	01-May-27
2025	–	–	98,050	3.91	25,056	–	25,056	01-May-26	01-May-28
	29,834				25,056	(15,328)	39,562		

1. £168,514 of Iain Evan's 2026 annual bonus was deferred in respect of the financial year 31 March 2026, of which £98,289 related to the period following his appointment as an Executive Director, and as a result his deferred interest in the ordinary shares of the Company has increased by 24,719.
2. £140,132 of Samir Ayub's 2026 annual bonus was deferred in respect of the financial year 31 March 2026 and as a result his deferred interest in the ordinary shares of the Company has increased by 20,556.

Interest through LTIP

Year of grant	Grant date	Number of share awards held at 1 April 2025	Face value of Award (£)[3]	Market value of shares at grant date (£)	Granted in the year	Number of shares vested in the year[1,2]	Number of shares sold to cover tax & NIC	Number of shares released in the year	Number of share awards held at 31 March 2026	Earliest vesting date	Latest vesting date
Iain Evans											
2020	10/07/2020	9,923	516,000	4.88	–	–	–	(9,923)	–	10/07/2023	10/07/2025
2021	16/07/2021	–	832,200	8.91	–	–	–	–	–	16/07/2024	16/07/2026
2022	16/07/2022	111,446	508,750	4.57	-	31,762	(17,549)	(14,213)	–	16/07/2025	16/07/2027
2023	16/07/2023	117,773	550,000	4.67	–	–	–	–	117,773	16/07/2026	16/07/2028
2024	16/07/2024	95,693	566,500	5.92	–	–	–	–	95,693	16/07/2027	16/07/2029
2025	16/07/2025	-	580,500	4.75	122,211	–	–	–	122,211	16/07/2028	16/07/2030
2025	26/09/2025	-	437,750	4.75	91,737	–	–	–	91,737	16/07/2028	16/07/2030
		334,835	–	–	213,948	31,762	(17,549)	(24,136)	427,414		
Samir Ayub											
2020	10/07/2020	3,718	119,884	4.88	–	–	–	(3,718)	–	10/07/2023	10/07/2025
2021	16/07/2021	–	426,960	8.91	–	–	–	–	–	16/07/2024	16/07/2026
2022	16/07/2022	101,314	462,500	4.57	-	28,874	(15,953)	(12,921)	–	16/07/2025	16/07/2027
2023	16/07/2023	107,066	500,000	4.67	–	–	–	–	107,066	16/07/2026	16/07/2028
2024	16/07/2024	86,993	515,000	5.92	–	–	–	–	86,993	16/07/2027	16/07/2029
2025	16/07/2025	–	528,000	4.75	111,158	–	–	–	111,158	16/07/2028	16/07/2030
		299,091	–	–	111,158	28,874	(15,953)	(16,639)	305,217		

3. The face value of the award figure is calculated by multiplying the number of shares awarded by the market price at grant (the average share price figure over a period of five days prior to the date of grant).

1. Performance vesting

Iain Evans

2020 LTIP

The 2020 LTIP reached the end of its five-year term on 10 July 2025, comprising a three-year vesting period followed by a two-year holding period. During the year, a further 9,923 shares were released to Iain. In addition, 19,846 shares from earlier tranches, previously held in a nominee account, were also released, bringing the total number of shares released in respect of this award to 29,769. This marks the full completion of the 2020 LTIP.

2022 LTIP

As disclosed in the 2025 Annual Report, the performance conditions attached to the 2022 LTIP were partially met. As a result, 31,762 shares representing 28.5% of the 111,446 shares relating to Iain vested on 16 July 2025. Of these, 17,549 shares were sold to cover tax liabilities and 14,213 were transferred into a nominee account. The shares will remain subject to a holding requirement until the fifth anniversary of the grant date.

Samir Ayub

2020 LTIP

The 2020 LTIP reached the end of its five-year term on 10 July 2025, comprising a three-year vesting period followed by a two-year holding period. During the year, a further 3,718 shares were released to Samir. In addition, 7,437 shares from earlier tranches, previously held in a nominee account, were also released, bringing the total number of shares released in respect of this award to 11,155. This marks the full completion of the 2020 LTIP.

2022 LTIP

As disclosed in the 2025 Annual Report, the performance conditions attached to the 2022 LTIP were partially met. As a result, 28,874 shares representing 28.5% of the 101,314 shares relating to Samir vested on 16 July 2025. Of these, 15,953 shares were sold to cover tax liabilities and 12,921 were transferred into a nominee account. The shares will remain subject to a holding requirement until the fifth anniversary of the grant date.

Remuneration Committee Report continued

Shares held

The interests of Directors in the share capital of the Company at the end of the financial year were as follows:

Director Shareholdings	31 March 2026 Number of shares	31 March 2025 Number of shares
Executive Directors		
Iain Evans		
Beneficial[1]	418,743	N/A
Deferred Interest	40,407	N/A
Samir Ayub		
Beneficial[1]	67,718	38,929
Deferred Interest	39,562	29,834
Gavin Rochussen[2]		
Beneficial[1]	1,899,532	1,849,790
Deferred Interest	58,133	46,089
Non-Executive Directors		
David Lamb	70,000	70,000
Laura Ahto	500	500
Anand Aithal	4,500	4,500
Alexa Coates	10,000	10,000
Win Robbins	10,000	20,000
Andrew Ross	85,000	85,000

1. Including reclassification of LTIP awards that have vested but the shares are forfeitable subject to continued employment only.
2. The interests shown for Gavin Rochussen, as outgoing CEO, are those at the date he stepped down as CEO and an Executive Director during the year.

Changes in share interests post year-end

The following changes in the interests of Directors in the ordinary shares of the Company occurred between 1 April 2026 and 30 June 2026:

Iain Evans

As part of his deferred remuneration for the financial year ended 31 March 2026, Mr Evans' deferred interest in the Company's ordinary shares increased by 24,719 shares.

Following the release of deferred awards relating to the financial years ended 31 March 2023, 2024, and 2025, his deferred interest decreased and his beneficial interest increased by 18,808 shares.

Samir Ayub

As part of his deferred remuneration for the financial year ended 31 March 2026, Mr Ayub's deferred interest in the Company's ordinary shares increased by 20,556 shares.

Following the release of deferred awards relating to the financial years ended 31 March 2023, 2024, and 2025, his deferred interest decreased and his beneficial interest increased by 18,524 shares.

Share prices over the financial year

The shares have traded at prices between 340.5p (7 April 2025) and 651p (2 March 2026) per share. The share price on 31 March 2026, the last trading day of the financial year, was 609p per share.

External advisors

The Committee appointed FIT Remuneration Consultants LLP (FIT), an independent remuneration consultancy, in 2020, after a tender process to provide advice to the Committee. During the year the Remuneration Committee received independent direct advice from FIT on various remuneration matters. In conjunction with the guidance from the Committee, FIT assisted the Company with the 2026 remuneration outcomes, the bonus and LTIP arrangements, drafting of share award documentation, analysis on market practice in the sector, assistance with the design of the policy and the preparation of this report. The external advisors did not have any other relationship with the Company.

AGM vote

The votes cast at the AGM held on 25 September 2025 on the resolution on Directors' Remuneration Report were as follows:

	Number of votes	% of cast votes
Votes in favour	50,722,658	99
Discretionary votes	908	-
Votes against	537,627	1
Total votes cast	51,261,193	100
Votes withheld	396,935	-

The total issued share capital at the date of the AGM was 101,568,374 ordinary shares.

Statement of Directors' Responsibilities in Respect of the Group's and Company's Financial Statements

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Group Financial Statements in accordance with UK-adopted international accounting standards and the Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that year. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the Group Financial Statements and United Kingdom Accounting Standards, comprising FRS 102 have been followed for the Company Financial Statements, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's external auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's external auditors are aware of that information.

Samir Ayub
Chief Financial Officer

30 June 2026

Auditors' Report

In this section

Independent Auditors' Report

to the members of Polar Capital Holdings plc

Report on the audit of the financial statements

Opinion

In our opinion:

- Polar Capital Holdings plc's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2026 and of the group's profit and the group's and company's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report 2026 (the "Annual Report"), which comprise:

- the Consolidated Balance Sheet as at 31 March 2026;
- the Company Balance Sheet as at 31 March 2026;
- the Consolidated Statement of Profit or Loss for the year then ended;
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Consolidated Statement of Changes in Equity for the year then ended;
- the Company Statement of Changes in Equity for the year then ended;
- the Consolidated Cash Flow Statement for the year then ended;
- the Company Cash Flow Statement for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other listed entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 3.4, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Context

Polar Capital Holdings plc ('Polar Capital') is an active fund manager, which listed on the Alternative Investment Market in 2007. Polar Capital's main operations are in the United Kingdom and during the year it offered a range of products, including UCITS, SICAVs, Investment Trusts, and Segregated Mandates to both professional and institutional investors in different geographical markets. In planning for our audit of Polar Capital, we met with the Audit and Risk Committee and members of management to discuss and understand significant changes to the business during the year, and to understand their perspectives on associated business risks. We used this insight, in addition to our prior year assessment of our audit approach, when forming our views regarding the business, as part of developing our audit plan and when scoping and performing our audit procedures.

Overview

Audit scope

- Our audit scope has been determined to provide coverage of all material financial statement line items and, as part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.
- We tailored our scoping based on our assessment of inherent risk and their financial significance to the consolidated financial results. As in all of our audits, we also addressed the risk of management override of internal controls, including consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud. There were four components that we conducted a full scope audit over their financial information: Polar Capital Holdings plc, Polar Capital LLP, Polar Capital Partners Limited and the Group consolidation adjustments.
- Our audit scope accounted for more than 99% of group revenue; more than 95% of profit for the year before tax; and more than 96% of total assets; providing sufficient and appropriate audit evidence as a basis for our opinion on the group financial statements as a whole.

Key audit matters

- Revenue recognition (group)
- Impairment of investment in subsidiaries (parent)

Materiality

- Overall group materiality: £3,841,000 (2025: £3,260,000) based on 5% of profit before tax for the year.
- Overall company materiality: £701,000 (2025: £722,000) based on 1% of total assets.
- Performance materiality: £2,880,000 (2025: £2,445,000) (group) and £525,000 (2025: £541,000) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors’ professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, 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, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Independent Auditors' Report continued

to the members of Polar Capital Holdings plc

Key audit matter	How our audit addressed the key audit matter
Revenue recognition (group)	
Revenue is the most significant balance in the Consolidated Statement of Profit or Loss. Revenue comprises a number of streams including investment management and research fees of £232.6 million and investment performance fees of £31.7 million, which result from the business activities of the group. **Investment management and research fees** The recognition of management and research fees is dependent on the terms of the underlying investment management agreements ('IMAs') between the group and its clients and/or the funds it manages. Investment management fees are derived from: • Open-ended funds, which consist of: – UCITS funds – SICAV funds – Mutual funds • Investment Trusts • Segregated mandates Investment management fees are calculated as a percentage of Assets Under Management ('AUM') and the percentage applied varies across different funds and products. The calculations are non-complex, however there are a number of inherent risks including the input of correct fee rates and the existence and valuation of AUM, which could result in errors. Research fees earned are based on the underlying research expenses incurred by the group, which are reimbursed by the funds. **Investment performance fees** Investment performance fees are often infrequent and involve manual calculations and this increases the risk of error. Given the significance of investment management and research fees and investment performance fees to the Consolidated Statement of Profit or Loss, we have determined revenue to be a key audit matter.	For all material revenue streams, we understood and evaluated the design and implementation of key controls, including relevant information technology systems and controls, in place. This included both in-house controls and outsourced activities at outsourced service providers. To obtain audit evidence over the key controls supporting the calculation and recognition of revenue, we: • Performed testing of key in-house controls to obtain evidence of operational effectiveness of those key controls, such as controls over cash and stockholding position reconciliations and over AUM valuations used in revenue calculations; and • Assessed the control environment in place at outsourced service providers to the extent that it was relevant to our audit. We obtained and read the control reports undertaken in accordance with generally accepted assurance standards, paying particular attention to the nature of any exceptions in the testing identified by the independent service auditor of the outsourced providers. We then identified those key controls on which we could place reliance to provide audit evidence and tested relevant complementary user entity controls in place at Polar Capital. Where the control reports had not been prepared for the year ended 31 March 2026, we assessed the gap period and obtained bridging letters where necessary. We obtained substantive audit evidence as set out below: **Investment management and research fees** • Using data auditing techniques, recalculated 99% of management fees for the UCITS funds, mutual funds, SICAV funds and Investment Trusts, using AUM information obtained from the outsourced service providers and fee rates obtained and tested on a sample basis from IMAs, and then reconciled to amounts included in the group financial statements; • On a sample basis, we recalculated segregated mandate revenues using AUM information obtained from the outsourced service providers or obtained directly from the client and fee rates obtained from the IMAs, and then reconciled to amounts included in the group financial statements; • To test completeness, checked that investment management fees were recognised for all funds; • To test cut-off, tested investment management fees for all months in the period and confirmed that no fees were recorded for any period outside the financial year; • Agreed 100% of net management fees to bank statements for the UCITS, investment trusts, mutual funds and SICAV funds in scope of our testing. • For the segregated mandates sampled, agreed cash received to bank statements, with outstanding amounts recognised as Trade and other receivables; and • For research fees, on a sample basis, traced receipts received from underlying funds, and obtained documentation to support the basis of the revenue calculation. **Investment performance fees** • Recalculated the performance fee revenue for a sample of funds, using the calculation methodology stated in the IMAs and agreed the calculation inputs to independently obtained AUM data from the outsourced service provider and to applicable index data; • Checked that performance fees relate to the financial year and confirmed that no revenue was recorded for any period outside the financial year; • Agreed 100% of performance fees per the group financial statements to bank statements; and • To test completeness, checked prospectuses/agreements to identify the funds which can earn a performance fee and selected a sample to determine whether the fund's performance exceeded the benchmark and crystallised during the year. No material issues were identified.

Key audit matter	How our audit addressed the key audit matter
Impairment of investment in subsidiaries (parent)	
Investments of £23.4 million are recognised on the Company's balance sheet in respect of the wholly-owned subsidiary, Polar Capital Partners Limited. Polar Capital US Holdings Limited has nil value. Management is required by FRS 102 Section 27 'Impairment of assets' to perform an annual impairment review and consider if there are any impairment indicators in respect of the carrying value of the Investments. Management performed their annual impairment review which showed no indicators of impairment. Management's impairment review included assessing both internal and external indicators that would have an impact on the future expected cash flows from the subsidiaries, including reviewing the Net Asset Value of the individual subsidiaries.	We performed the following procedures in relation to management's impairment review of the carrying value of investments in subsidiaries as at 31 March 2026: • Obtained and assessed the completeness of management's impairment indicators assessment, based on our understanding of the business and current market environment; • Compared the Net Asset Value of the Polar Capital Partners Limited against the carrying value in the financial statements; and • Assessed the adequacy of the disclosures of the financial statements. No material issues were identified.

Independent Auditors' Report continued

to the members of Polar Capital Holdings plc

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group is structured as one operating segment, being investment management. The group is comprised of the company, incorporated in the United Kingdom, and subsidiary entities in the United Kingdom and internationally, and certain consolidated seed capital investments. The group is operated centrally from the United Kingdom.

We performed a full scope audit over four components due to their financial significance: Polar Capital Holdings plc, Polar Capital LLP, Polar Capital Partners Limited and the group consolidation adjustments. We identified account balances which were considered to be significant in size or audit risk at the financial statement line item level in the consolidated financial statements, and we performed audit procedures over these financial statement line items, principally being the consolidated seed capital investments.

The adjustments made for the consolidation are material for a number of financial statement line items. We, therefore, scoped these consolidation adjustments in as a component and performed audit testing over these.

As the group audit team, we are also the auditors for the fully scoped financially significant components. Therefore as part of our audit of the individual legal entities, we also ensured that we performed enough work to be able to conclude that appropriate audit evidence had been obtained as a basis for our opinion on the consolidated financial statements as a whole.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the group's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the group's and company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
Overall materiality	£3,841,000 (2025: £3,260,000).	£701,000 (2025: £722,000).
How we determined it	5% of profit before tax for the year	1% of total assets
Rationale for benchmark applied	We have applied this benchmark because it is a benchmark against which the group's performance is commonly measured, a recognised statutory measure and most stakeholders also utilise this measure for performance assessment.	In arriving at this benchmark, we have had regard to the carrying value of the company's assets, acknowledging that the primary measurement attribute of the company is the carrying value of its investment in subsidiaries.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was £0.70 million to £3.64 million. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2025: 75%) of overall materiality, amounting to £2,880,000 (2025: £2,445,000) for the group financial statements and £525,000 (2025: £541,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £192,000 (group audit) (2025: £163,000) and £35,000 (company audit) (2025: £36,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining and reviewing management's latest forecasts that support the Board's assessment and conclusions with respect to the going concern basis of preparation of the financial statements.
- Checking the arithmetical accuracy of management's forecasts.
- Performing lookback testing over budgeted versus actual results for the previous year to assess the historical accuracy of management's forecasting.
- Evaluating management's base case forecast and downside scenarios, challenging the underlying data and the adequacy and appropriateness of the underlying assumptions used to make the assessment, and evaluating the directors' plans for future actions in relation to their going concern assessment.
- Assessing the appropriateness of the going concern disclosures by comparing them to management's assessment for consistency and for compliance with the relevant reporting requirements.

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 group's and 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Independent Auditors' Report continued

to the members of Polar Capital Holdings plc

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 March 2026 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Group's and Company's Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries to increase revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inquiries with management to consider known or suspected instances of non-compliance with laws and regulations, and fraud;
- Reviewing relevant meeting minutes, including those of the Board of Directors and the Audit and Risk Committee;
- Reviewing regulatory correspondence with the Financial Conduct Authority;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations against revenue accounts, where any such journal entries were identified; and
- Designing audit procedures to incorporate unpredictability around the nature, timing and extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Jeremy Jensen (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London

30 June 2026

Financial Statements

In this section

Consolidated Statement of Profit or Loss

For the year ended 31 March 2026

	Note	31 March 2026 £'000	31 March 2025 £'000
Revenue	3.1	264,296	222,111
Other income	3.3	103	3,997
Gross income		264,399	226,108
Commissions and fees payable	3.1	(35,732)	(27,775)
Net income		228,667	198,333
Operating costs	3.4	(151,613)	(146,483)
Finance costs	4.3	(198)	(205)
Profit before tax		76,856	51,645
Taxation	3.7	(18,174)	(16,335)
Profit for the year attributable to ordinary shareholders		58,682	35,310
Earnings per share			
Basic	3.8	60.6p	36.6p
Diluted	3.8	59.2p	36.1p
Adjusted basic (Non-GAAP measure) Restated[1]	3.8	59.2p	53.2p
Adjusted diluted (Non-GAAP measure) Restated[1]	3.8	57.8p	52.6p

1. Comparative figures have been restated to correct the adjusted profit before tax figure used in the calculation for Adjusted basic and Adjusted diluted EPS. See Note 2 for further information.

Consolidated Statement of Comprehensive Income

For the year ended 31 March 2026

	Note	31 March 2026 £'000	31 March 2025 £'000
Profit for the year attributable to ordinary shareholders		58,682	35,310
Other comprehensive income – items that will be reclassified to profit or loss statement in subsequent periods			
Exchange differences on translation of foreign operations	3.3	320	345
Other comprehensive income for the year		320	345
Total comprehensive income for the year, net of tax, attributable to ordinary shareholders		59,002	35,655

All of the items in the above statements are derived from continuing operations.

The notes on pages 103 to 133 form part of these financial statements.

Consolidated Balance Sheet

As at 31 March 2026

	Note	31 March 2026 £'000	31 March 2025 £'000
Non-current assets			
Property and equipment	4.2	3,944	6,129
Deferred tax assets	4.4	5,658	4,264
		9,602	10,393
Current assets			
Assets at fair value through profit or loss	4.5	57,467	63,347
Trade and other receivables	4.8	29,805	22,880
Other financial assets	4.5	–	1,539
Cash and cash equivalents	4.9	150,987	121,819
Current tax assets		242	149
		238,501	209,734
Total assets		248,103	220,127
Non-current liabilities			
Provisions and other liabilities	4.10	2,899	5,123
Liabilities at fair value through profit or loss	4.5	–	68
		2,899	5,191
Current liabilities			
Liabilities at fair value through profit or loss	4.5	4,304	5,808
Trade and other payables	4.11	85,545	71,158
Other financial liabilities	4.5	3,034	–
Current tax liabilities		1,522	3,527
		94,405	80,493
Total liabilities		97,304	85,684
Net assets		150,799	134,443
Capital and reserves			
Issued share capital	4.12	2,514	2,539
Share premium	4.12	19,364	19,364
Investment in own shares	4.12	(27,137)	(29,731)
Capital and other reserves	4.12	13,994	12,277
Retained earnings		142,064	129,994
Total equity – attributable to ordinary shareholders		150,799	134,443

The notes on pages 103 to 133 form part of these financial statements.

The Group financial statements were approved and authorised for issue by the Board on 30 June 2026:

Samir Ayub
Chief Financial Officer

Consolidated Statement of Changes in Equity

For the year ended 31 March 2026

	Note	Issued share capital £'000	Share premium £'000	Investment in own shares £'000	Capital reserves £'000	Other reserves £'000	Retained earnings £'000	Total equity £'000
As at 1 April 2024		2,530	19,364	(34,652)	695	11,324	136,637	135,898
Profit for the year		–	–	–	–	–	35,310	35,310
Other comprehensive income		–	–	–	–	345	–	345
Total comprehensive income		–	–	–	–	345	35,310	35,655
Dividends paid to shareholders	4.13	–	–	–	–	–	(44,403)	(44,403)
Issue of shares	4.12	9	–	–	–	–	–	9
Own shares acquired	4.12	–	–	(1,598)	–	–	–	(1,598)
Release of own shares		–	–	6,519	–	–	(4,559)	1,960
Share-based payments	3.6	–	–	–	–	–	7,009	7,009
Current tax in respect of employee share options		–	–	–	–	(112)	–	(112)
Deferred tax in respect of employee share options	4.4	–	–	–	–	25	–	25
As at 1 April 2025		2,539	19,364	(29,731)	695	11,582	129,994	134,443
Profit for the year		–	–	–	–	–	58,682	58,682
Other comprehensive income		–	–	–	–	320	–	320
Total comprehensive income		–	–	–	–	320	58,682	59,002
Dividends paid to shareholders	4.13	–	–	–	–	–	(44,524)	(44,524)
Issue of shares	4.12	–	–	–	–	–	–	–
Own shares acquired	4.12	–	–	(3,006)	–	–	–	(3,006)
Share buy back	4.12	(25)	–	–	25	–	(6,260)	(6,260)
Release of own shares		–	–	5,600	–	–	(3,494)	2,106
Share-based payments	3.6	–	–	–	–	–	7,666	7,666
Current tax in respect of employee share options		–	–	–	–	28	–	28
Deferred tax in respect of employee share options	4.4	–	–	–	–	1,344	–	1,344
As at 31 March 2026		2,514	19,364	(27,137)	720	13,274	142,064	150,799

The notes on pages 103 to 133 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 March 2026

	Notes	31 March 2026 £'000	31 March 2025 £'000
Cash flows generated from operating activities			
Cash generated from operations	4.9	90,984	80,707
Tax paid		(20,294)	(19,371)
Interest received		1,864	2,682
Net cash inflow generated from operating activities		72,554	64,018
Cash flows generated from investing activities			
Investment income		1,089	345
Sale of assets/liabilities at fair value through profit or loss		75,925	44,010
Purchase of assets at fair value through profit or loss		(53,459)	(46,945)
Redemption of assets at amortised cost		–	6,698
Purchase of property and equipment	4.2	(164)	(170)
Sale of property and equipment	4.2	45	12
Payments in respect of asset acquisition		(5)	(39)
Net cashflow from deconsolidation of seed investment		(11,194)	–
Net cash inflow from investing activities		12,237	3,911
Cash flows used in financing activities			
Dividends paid to shareholders	4.13	(44,524)	(44,403)
Lease payments		(2,376)	(1,501)
Interest on lease		(198)	(205)
(Purchase)/sale of own shares		(7,161)	364
Third-party subscriptions into consolidated funds		3,700	1,411
Third-party redemptions from consolidated funds		(5,186)	(1,102)
Net cash outflow from financing activities		(55,745)	(45,436)
Net increase in cash and cash equivalents		29,046	22,493
Cash and cash equivalents at start of the year		121,819	98,880
Effect of exchange rate changes on cash and cash equivalents		122	446
Cash and cash equivalents at end of the year	4.9	150,987	121,819

The notes on pages 103 to 133 form part of these financial statements.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

The Notes to the Consolidated Financial Statements of Polar Capital Holdings plc and its subsidiaries (collectively, the Group) for the year ended 31 March 2026 have been set out in key sections and cross referenced to the primary financial statements. Accounting policies are contained and highlighted within each relevant note where possible.

SECTION 1: CORPORATE INFORMATION

1.1 Corporate information

Polar Capital Holdings plc (the 'Company') is a public limited company incorporated and domiciled in England and Wales whose shares are traded on the Alternative Investment Market (AIM) of the London Stock Exchange.

1.2 Group information

Details of operating subsidiaries, seed capital investments and indirectly held entities consolidated into the Group are disclosed in Note 4.6.

1.3 Going concern

The Directors have made an assessment of going concern taking into account both the Group's results as well as the impact of the Group's outlook. As part of this assessment the Directors have used a range of information available to the date of issue of these financial statements and considered the Group budget, longer term financial projections, cash flow forecasts and an analysis of the Group's liquid assets and its regulatory capital position and forecasts. The stress testing scenarios applied as part of the Group's ICARA, which included consideration of the impact of severe but plausible downside scenarios on key liquidity and capital metrics, have also been revisited to ensure they remain appropriate.

The Group continues to maintain a robust financial resources position, access to cashflow from ongoing investment management contracts and the Directors believe that the Group is well placed to manage its business risks. The Directors also have a reasonable expectation that the Group and the Company have adequate resources to continue operating for a period of at least 12 months from the date of signing the financial statements. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

SECTION 2: BASIS OF PREPARATION AND OTHER MATERIAL ACCOUNTING POLICIES

This section provides additional information about the overall basis of preparation of these consolidated financial statements and includes:

- Material accounting policies affecting the results and financial position of the Group, including changes in accounting policies and disclosures during the year.
- Standards that have been issued but not yet adopted by the Group.

2.1 Basis of preparation

The consolidated Group financial statements have been prepared on a going concern basis in accordance with UK-adopted international accounting standards and in conformity with the requirements of the Companies Act 2006. The accounting policies used in the preparation of these financial statements have been consistently applied, except when otherwise stated.

The consolidated financial statements have been prepared under the historical cost convention, modified by the measurement at fair value of certain financial assets and liabilities and derivative financial instruments. The consolidated financial statements are presented in Sterling and all values are rounded to the nearest thousand (£'000), except when otherwise stated.

Restatement of prior period information

During the year, the Group restated the earnings used in the calculation of adjusted basic, diluted and core EPS to correct the deferment adjustment in the numerator of the calculation for the year ended 31 March 2025. The correction has resulted in a reduction of adjusted basic EPS† from 54.2p to 53.2p, a reduction of adjusted diluted EPS† from 53.5p to 52.6p and a reduction of adjusted diluted core EPS† from 44.0p to 43.0p for the year ended 31 March 2025. The comparative figures have been restated accordingly on the face of the consolidated statement of profit or loss and Note 3.8.

There is no impact on retained earnings or total comprehensive income.

† The non-GAAP alternative performance measures shown here are described on page 32 and reconciled to IFRS measures on page 33

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

2.2 Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and its subsidiaries for the year ended 31 March 2026. Subsidiaries are those entities over which the Group has control. The Group controls an investee if, and only if, the Group has:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect returns.

The Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the purpose and design of an investee, relevant activities, substantive and protective rights, voting rights and potential voting rights.

The financial statements of subsidiaries are either prepared for the same reporting period as the parent company or where necessary, adjustments are made to the financial statements of subsidiaries to bring their reporting period and results in line with those of the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

When the Group loses control over a subsidiary, it derecognises the related assets, liabilities, third-party interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Seed capital investments in funds that the Group manages are accounted for as subsidiaries, associates or financial assets at fair value through profit or loss (FVTPL) depending on the holdings of the Group, on the level of influence and control that the Group is judged to have and whether the Group assesses it is acting as an agent or principal for its holdings in the seed capital investments. There is no fixed minimum percentage at which the Group consolidates, and each exposure is reviewed individually.

Where the Group concludes it is acting as a principal the entity is consolidated. This assessment is based on the Group's total exposure. This incorporates direct holdings, income earned from management and performance fees and the assessed strength of third-party kick-out rights. The funds consolidated at 31 March 2026 are disclosed in Note 4.6.

The Group concludes that it acts as an agent when the power it has over an entity is deemed to be exercised for the benefit of third-party investors.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which the Group obtains control and continue to be consolidated until the date when such control ceases.

Where external investors hold redeemable shares in funds controlled by the Group, the portion of profit or loss and net assets held by these third-party interests is included within other income in the consolidated statement of profit or loss and as financial liabilities at FVTPL in the consolidated balance sheet respectively.

Net cashflows on initial consolidation or deconsolidation are presented as investing activities within the consolidated cashflow statement. Cashflows arising from third-party interests into consolidated funds are presented as financing activities.

2.3 Investment in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Generally, it is presumed that the Group has significant influence where it has voting rights of 20% or more, but not control of an investee.

Seed capital investments over which the Group has significant influence, but not control, are carried on the balance sheet as assets at FVTPL as permitted by IAS 28: Investment in Associates, with changes in fair value recognised in the consolidated statement of profit or loss. The fair value of investments in associates is determined by reference to the quoted price at the close of business on the balance sheet date. The Group has no other investments in associates and, therefore, no associates are currently accounted for using the equity method. Seed capital investments determined as associates at 31 March 2026 are disclosed in Note 4.7.

2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The Group bases its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Where circumstances and parameters change, the original estimates and assumptions are modified in the period in which the change occurs.

The areas where judgements, assumptions and estimates are significant or key to the Group's consolidated financial statements are set out in the following notes:

Significant judgements:

- Consolidation of seed capital investments (Note 4.5).

Key assumptions and estimates:

- Share-based payments (Note 3.6).

2.5 Foreign currency

(i) Functional and presentational currency

The Group's consolidated financial statements are presented in Sterling which is also the functional currency for the Company. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. Non-monetary items, such as plant and equipment, that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items, such as investments in equity instruments, measured at fair value in a foreign currency are translated using exchange rates at the date fair value is determined. Exchange differences are recognised in the consolidated statement of profit or loss within operating costs.

(iii) Consolidation

On consolidation, the assets and liabilities of the Group's overseas subsidiaries whose functional currency is not Sterling are translated at exchange rates prevailing at the reporting date. Income and expense items are translated at average exchange rates for the accounting period. Exchange differences arising, if any, are recognised in other comprehensive income and are reclassified to the consolidated statement of profit or loss on disposal of the relevant overseas subsidiary.

2.6 Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotation (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, such as forward exchange contracts, the fair value is determined using appropriate valuation techniques that take into account the terms and conditions of the contracts and utilise observable market data, such as spot and forward rates, as inputs.

2.7 Standards and amendments not yet effective

IFRS 18 Presentation and Disclosures in Financial Statements

IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. The standard aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. IFRS 18 replaces IAS 1 Presentation of Financial Statements. The effective date of IFRS 18 is years beginning on or after 1 January 2027 and accordingly, will be mandatory for the Group and Company to adopt for the year ended 31 March 2028.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

2.7 Standards and amendments not yet effective continued

The standard was approved for Adoption by the UK Endorsement Board on 10 December 2025. The Group is currently assessing the impact of adoption. It is not anticipated that the adoption of the standard will impact the profit or net assets of the Group or the Parent Company.

Other standards and amendments not yet effective

There are no other new or amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements that would be expected to have a material impact on the Group when they become effective.

2.8 Changes in accounting policies and disclosures

No standards or amendments have been issued during the year that have had or are expected to have an impact on the Group's consolidated financial statements.

SECTION 3: DETAILED INFORMATION ON CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME ITEMS

This section provides additional information about individual line items in the consolidated statement of profit or loss and consolidated statement of comprehensive income, including the relevant accounting policies.

3.1 Revenue

Revenue from contracts with customers

Revenue from contracts with customers represents fees receivable, excluding value added tax, for discretionary investment management services and research fees during the year.

Management fees are based on a percentage of assets under management either per day or calendar month and payable monthly or quarterly as set out in the relevant investment management agreement (IMA). Management fees relate specifically to the Group's provision of investment management services for each relevant time period and therefore such services are satisfied over time because either the customer simultaneously receives and consumes the benefits provided by the fund manager as the service is provided or, the fund manager's performance enhances the assets that the fund controls. Management fees are recognised as the service is provided and it is probable that the fee will be collected.

Research fee income relates to research provided in respect of funds managed in accordance with the relevant IMA and is recognised as the service is provided and it is probable that the fee will be collected.

Performance fees are variable consideration based on a percentage of investment performance achieved relative to predefined benchmarks as set out in the relevant IMA. Performance fees by their nature are highly susceptible to volatility until they are crystallised and are no longer subject to claw back. This is usually at the end of the performance period of a fund when the performance fee calculation can be confirmed with certainty. Therefore, performance fees are recognised at the point when they are crystallised.

Contract balances, being trade receivables, have been detailed in Note 4.8.

Commissions and fees payable

Commissions and fees payable to third parties are in respect of rebates on investment management fees, distribution and research fees, and are recognised over the period for which the service is provided.

	31 March 2026 £'000	31 March 2025 £'000
Investment management and research fees	232,605	206,139
Investment performance fees	31,691	15,972
	264,296	222,111

3.2 Operating segments

The financial information provided to the chief operating decision maker, the Board of Directors (the 'Board') is on an aggregated basis. Strategic and financial management decisions are determined centrally and, on this basis, the Group is a single segment investment management business.

The Group is a specialist investment management group offering professional and institutional investors a range of geographical and sector investment opportunities. The Group's assets under management are separated into products and services but as the strategic and financial management decisions are determined centrally, by the Board, the Group only has one class of business, being the provision of investment management and advisory services. The Group's revenue generating operations are in London and Zurich with additional offices in USA, China, France, Spain, Germany, Singapore and Sweden that do not generate any revenue.

Geographical analysis of revenue (by location of the funds) is as follows:

	31 March 2026 £'000	31 March 2025 £'000
United Kingdom	41,364	39,068
Ireland	219,638	175,578
Rest of Europe	841	4,123
Cayman Islands	–	1,315
United States of America	2,202	962
Rest of the world	251	1,065
	264,296	222,111

3.3 Components of Other income and Other comprehensive income

Other income

Other income consists primarily of interest income, gains/(losses) on financial assets and liabilities, gains/(losses) on forward currency contracts, including short positions, and investment income.

Interest income

Interest receivable is recognised on an accruals basis using the effective interest method.

Gains/(losses) on financial assets and liabilities

These relate to gains and losses arising from seed investments and investment securities held by the Group and derivative instruments used to hedge foreign currency and market risk on these investments. See Note 4.5 for the respective accounting policies.

Investment income

Dividend income from investments is recognised on the date that the right to receive payment has been established.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

3.3 Components of Other income and Other comprehensive income continued

(a) Components of other income

	31 March 2026 £'000	31 March 2025 £'000
Interest income	1,864	2,682
Net (loss) on other financial assets – short positions	(6,367)	(1,044)
Net gain on other financial assets - forward currency contracts	796	169
Net gain on financial assets and liabilities at FVTPL	4,051	2,077
Investment income	1,089	345
Other (gain) – attributed to third party holdings	(1,330)	(232)
	103	3,997

(b) Components of other comprehensive income

	31 March 2026 £'000	31 March 2025 £'000
Exchange differences on translation of foreign operations:		
Gain arising during the year	493	345
Reclassification adjustments for losses included in the consolidated statement of profit or loss	(173)	–
	320	345

3.4 Operating costs

Operating costs represent the Group's administrative expenses and are recognised as the services are received by the Group. Staff costs are the largest component of the Group's operating costs and include salaries and wages, and associated benefits such as pensions and bonuses as well as profit allocations to members of the partnership within the Group. Staff costs are presented net of gains and losses on financial instruments held to hedge deferred employee cash awards.

(a) Operating costs include the following expenses:

	31 March 2026 £'000	31 March 2025 £'000
Staff costs including partnership profit allocations (Note 3.5)	122,305	103,282
Depreciation (Note 4.2)	2,458	2,485
Amortisation and impairment of goodwill and intangible assets (Note 4.1)	–	14,774
Auditors' remuneration (Note 3.4b)	749	680

(b) Auditors' remuneration:

	31 March 2026 £'000	31 March 2025 £'000
Audit of Group and Company financial statements	201	188
Statutory audits of subsidiaries	360	309
Audit-related assurance services	38	34
Other assurance services – internal controls report	150	149
	749	680

3.5 Staff costs and average number of staff

Pensions

The Group operates a defined contribution pension scheme covering the majority of its staff. The costs of the pension scheme are charged to the consolidated statement of profit or loss in the period in which they are incurred.

Deferred remuneration

Where variable compensation is deferred, the cost of the award is spread over the vesting period and included within staff costs. Where deferment is into fund units, the liability is revalued at each balance sheet date to the expected settlement amount, being the current market value of the underlying fund unit. Any increase or decrease in value is recognised in the consolidated statement of profit or loss within staff costs. The liability is included in the consolidated balance sheet as part of other creditors within trade and other payables. Deferment into Company shares is accounted for as a share-based payment (see Note 3.6).

Where deferrals are made into Company shares or fund units the Group hedges its exposure to price fluctuations by purchasing the Company shares or fund units at the date of award. Company shares held are shown as a deduction from equity. Fund units are included within financial assets at FVTPL on the balance sheet. Any change in the fair value of the units is recognised in the consolidated statement of profit or loss within staff costs in order to match the gains and losses within the same line item.

(a) Group staff costs include the following:

	31 March 2026 £'000	31 March 2025 £'000
Salaries and wages	52,906	45,676
Social security costs	7,796	6,231
Pension costs	1,671	1,779
Partnership profit allocations	59,899	43,494
Share-based payments (Note 3.6)	7,666	7,009
Net gain on financial assets at FVTPL – Investments in Group funds held under deferred remuneration arrangements	(7,633)	(907)
	122,305	103,282

Pension costs outstanding at year-end amounted to £nil (2025: nil).

The Group operates a Deferred Remuneration Plan (DRP) which all Group employees eligible for a bonus over a certain level, as determined by the Remuneration Committee, are required to participate in. The DRP provides for compulsory deferral of a proportion of bonus over a specified vesting period. Deferrals can be made either into shares in the Company or units in the Group's funds. Included within staff costs in the consolidated statement of profit or loss is a charge of £17.2m (2025: £14.7m) relating to bonuses deferred into fund units.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

3.5 Staff costs and average number of staff continued

(b) Average number of employees

	31 March 2026	31 March 2025
Average number of staff including Executive Directors:		
Investment Management	65	65
Distribution	29	28
Operations	109	107
	203	200

All employees are directly or indirectly engaged in the Group's business. Details regarding the total remuneration paid to Directors who served during the year, and the highest paid Director, as required by the Companies Act 2006 are disclosed in the Remuneration Committee Report (see page 80). During the year three directors (2025: two directors) received defined pension contributions or payments in lieu of contributions. There are no defined benefit arrangements.

3.6 Share-based payments

The Group enters into share-based payment transactions in respect of services receivable from certain employees by granting options or awards over shares in the Company subject to certain vesting conditions, performance criteria and exercise prices. These are accounted for as equity-settled share-based payments.

The cost of the awards is determined by the fair value of the share options or shares at the date of grant and is recognised as an expense over the appropriate performance and vesting period, based on the Group's estimate of the number of shares that will eventually vest. These estimates are reviewed regularly and the charge to the consolidated statement of profit or loss is adjusted accordingly. The corresponding credit is recognised in retained earnings within total equity.

Where an award is cancelled, it is treated as if it had vested on the date of cancellation and any cost not yet recognised is charged to the consolidated statement of profit or loss. No expense is recognised for awards that do not ultimately vest.

Key area of estimation

The principal estimates used relate to the satisfaction of performance conditions attached to certain share-based payment awards and as a consequence, the number of shares that are likely to vest. The Group reviews such estimates regularly, with the charge to the consolidated statement of profit or loss being adjusted at least at the end of the relevant share award scheme. Our sensitivity analysis shows that a +/-25% movement to the performance condition assumption would impact the Group's profit before taxation by (£0.9m)/£0.2m (2025: (£1.0m)/£0.5m) respectively.

A summary of the charge to the consolidated statement of profit or loss for each share-based payment arrangement is as follows:

	31 March 2026 £'000	31 March 2025 £'000
Preference shares	1,781	1,942
LTIP awards	3,313	2,362
Equity incentive plan	814	708
Deferred remuneration plan	1,758	1,997
	7,666	7,009

(a) Manager and team preference shares (Preference Shares)

Certain employees of the Group and partners of Polar Capital LLP hold Manager Preference Shares or Manager Team Member Preference Shares (together 'Preference Shares') in Polar Capital Partners Limited, a group company.

The preference shares are designed to incentivise and retain the Group's investment management teams. These shares provide each manager with an economic interest in the funds that they run and ultimately enable the manager, at their option and at a future date, to convert their interest in the revenues generated from their funds to a value that may (at the discretion of the parent undertaking, Polar Capital Holdings plc) be satisfied by the issue of ordinary shares in Polar Capital Holdings plc. Such conversion takes place according to a pre-defined conversion formula that considers the relative contribution of the manager to the Group as a whole. The equity is awarded in return for the forfeiture of a manager's current core economic interest and is issued over three years from the date of conversion.

The issue of the Preference Shares constitutes a share-based payment under IFRS 2 and the cost is the estimated fair value, at the date of issue of the preference shares, of the effective entitlement to the ordinary shares. At each reporting date the estimated number of ordinary shares to be ultimately issued upon conversion will vary and the holder, initially, and the Group, ultimately, determines the start of the three-year period (Crystallisation) over which the ordinary shares are awarded following conversion. The start of this period will always be at least three years after the end of the financial accounting period in which the preference shares are issued.

The expected life of the Preference Shares is 6 years (2025: 6 years). In the year to 31 March 2026, no team called for a conversion of preference shares into Polar Capital Holdings plc equity (2025: the Convertibles team called for a partial conversion of preference shares into Polar Capital Holdings plc equity).

At 31 March 2026 five sets of preference shares (2025: five sets) have the right to call for conversion.

The following tables illustrate the number of, and movements in, the estimated number of ordinary shares to be issued.

Estimated number of ordinary shares to be issued against preference shares with a right to call for conversion:

	31 March 2026 Number of shares	31 March 2025 Number of shares
At 1 April	2,409,188	2,234,988
Conversion/crystallisation	–	(114,716)
Movement in the year	164,951	288,916
At 31 March	2,574,139	2,409,188

Number of ordinary shares to be issued against converted preference shares:

	31 March 2026 Number of shares	31 March 2025 Number of shares
Outstanding at 1 April	23,907	353,055
Conversion/crystallisation	–	114,716
Adjustment on re-calculation	(13,954)	(79,338)
Issued in the year (Note 4.12)	(7,969)	(364,526)
Outstanding at 31 March	1,984	23,907

(b) LTIP awards

Various staff members including the Executive Directors, are entitled to participate in the LTIP plan which allows for awards to be made in the form of conditional share awards over shares in the Company that vest over a three year period subject to performance and employment conditions with an additional two year holding period. The fair value of these awards is equal to the market value of the shares at grant date adjusted for dividend yield.

A charge of £3.3m (2025: £2.4m) was recognised during the current financial year.

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For the year ended 31 March 2026

3.6 Share-based payments continued

(c) Group Equity Incentive Plan (EIP)

As part of an ongoing program to retain and incentivise employees, the Group issues share options under the following schemes:

(i) Save as you Earn scheme

Share options in Polar Capital Holdings plc are granted to employees under a HMRC tax-advantaged Save as You Earn scheme. These shares have a vesting period of five years, and the exercise price for each option is the market value of the shares on the date the option was granted, subject to a discount of up to 20%. The scheme is linked to a SAYE savings contract.

(ii) Company share option scheme

Share options in Polar Capital Holdings plc can be granted to employees under a HMRC tax-advantaged arrangement up to a value at the date of grant of £60,000. These shares have a vesting period of either three or four years from the date of grant, and the exercise price for each option is the market value of the shares on the date it was granted.

(iii) Unapproved share option scheme

In cases where the terms of the schemes above cannot be met, unapproved share options are granted, under the terms of the Group's Equity Incentive Plan or 2016 Executive Incentive Plan. These options vest over either four or five years, and are granted at a price agreed by the Directors of the Group.

The contractual term of Company share options, except for those issued under the SAYE scheme, is between 6-10 years.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, EIP share options during the year.

	2026		2025	
	Number	WAEP	Number	WAEP
Outstanding at beginning of the year	4,800,307	£5.2	4,135,492	£4.9
Granted during the year	90,824	£3.9	1,202,317	£5.9
Exercised during the year[1]	(136,333)	£3.9	(505,000)	£4.1
Lapsed during the year	(694,293)	£6.3	(32,502)	£4.0
Outstanding at end of the year	4,060,505	£5.1	4,800,307	£5.2
Exercisable at end of the year	1,480,000	£4.9	2,162,702	£5.4

1. Under the rules of the Group Equity Incentive Plan, unapproved share options may be issued as equity settled share appreciation rights, thereby enabling the Group to issue a net number of shares to employees on the exercise of options.

The weighted average fair value of options granted during the year was £0.7 (2025: £1.1).

For options exercised during the year the weighted average share price at the date of exercise was £5.6 (2025: £5.6).

The fair value of equity-settled share options granted is estimated at the date of grant using a Black-Scholes-Merton option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the years ended 31 March 2026 and 31 March 2025.

	31 March 2026	31 March 2025
Dividend yield (%)	9.6	7.7 - 8.4
Expected share price volatility (%)	30.7	38.2 - 38.5
Risk free interest rate (%)	4.1	3.7 - 4.0
Weighted average share price (£)	4.8	5.5 - 6.0
Expected life of option – Equity Incentive Plans	5	3 - 5 years

The share price volatility was calculated by reference to the Company's historic share price.

No other features of options granted were incorporated into the measurement of fair value.

The weighted average remaining contractual life of the share options outstanding as at 31 March 2026 was 2.9 years (2025: 4.0 years).

The range of exercise prices for options outstanding at the end of the year was:

	2026		2025	
Earliest exercise date of options	**Number of options**	**Exercise price**	**Number of options**	**Exercise price**
Year ending 31 March 2025	–	–	2,162,702	£3.2 - £6.8
Year ending 31 March 2026	1,480,000	£3.2 - £6.8	73,134	£4.0
Year ending 31 March 2027	1,125,213	£4.7 - £7.0	1,129,486	£4.7 - £7.0
Year ending 31 March 2028	1,298,427	£3.8 - £5.9	1,321,472	£3.8 - £5.9
Year ending 31 March 2029	59,994	£3.9	67,991	£3.9
Year ending 31 March 2030	10,870	£4.7	45,522	£4.7
Year ending 31 March 2031	86,001	£3.9	–	–
Outstanding at end of the year	4,060,505		4,800,307	

(d) Deferred Remuneration Plan (DRP)

As indicated in Note 3.5(a) all Group staff eligible for a bonus above a certain level are required to participate in the DRP. Where deferrals are made into shares of the Company these are accounted for as an equity settled share-based payment award in the consolidated Financial Statements. There are no performance conditions attached to the awards. One third of an award will vest and become due for release on each of the first, second and third anniversaries of the grant date.

A charge of £1.8m (2025: £2.0m) was recognised during the current financial year in relation to deferred awards. The weighted average fair value of shares granted was £4.4 (2025: £5.5).

3.7 Taxation

The tax expense represents the sum of the tax payable for the reporting period (current tax) and a charge relating to tax payable for future periods due to income or expenses being recognised in different periods for tax and accounting purposes (deferred tax).

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Tax relating to items charged or credited directly to equity is also dealt within equity.

Deferred tax

Deferred tax is recognised on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited to the statement of profit or loss, except when it relates to items charged or credited to other comprehensive income or directly to equity, in which case the deferred tax is also dealt with in the statement of other comprehensive income or directly in equity. See Note 4.4.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

3.7 Taxation continued

The major components of corporation tax for the years ended 31 March 2026 and 2025 are:

(a) Tax recognised in the consolidated statement of profit or loss

	31 March 2026 £'000	31 March 2025 £'000
UK corporation tax		
UK Corporation tax on profits for the year	19,634	17,925
Adjustments in respect of prior periods	(2,469)	355
Total current tax	17,165	18,280
Foreign Tax		
Foreign Corporation tax on profits for the year	1,059	196
Adjustments in respect of prior periods	–	160
	1,059	356
Deferred tax		
Originating and reversal of temporary differences	(1,920)	(2,454)
Adjustment in respect of prior periods	1,870	153
	(50)	(2,301)
Total tax recognised in consolidated statement of profit or loss	18,174	16,335

(b) Tax recognised in the consolidated statement of other comprehensive income

Current and deferred tax recognised in the consolidated statement of other comprehensive income and the consolidated statement of changes in equity is shown on the face of those statements.

(c) Reconciliation of tax charge

The tax assessed on the profit on ordinary activities during the year differs from the standard rate of corporation tax of 25% (2025: 25%). The differences are reconciled below:

	31 March 2026 £'000	31 March 2025 £'000
Profit on ordinary activities before taxation	76,856	51,645
Tax on profit on ordinary activities at standard rate of 25% (2025: 25%)	19,214	12,911
Adjustments in respect of prior periods	(599)	668
Disallowed expenditure/income: other	(551)	137
Disallowed expenditure: Impairment of goodwill	–	1,683
Other – share based payments	110	936
Total tax at the effective rate of 24% (2025: 32%)	18,174	16,335

3.8 Earnings per share

A reconciliation of the figures used in calculating the basic, diluted, adjusted basic and adjusted diluted total earnings per share (EPS) is as follows:

	31 March 2026 £'000	Restated[1] 31 March 2025 £'000
Earnings		
Profit after tax for purpose of basic and diluted EPS	58,682	35,310
Adjustments (post tax):		
Add exceptional items – amortisation of intangible assets	–	1,163
Add exceptional items – impairment of goodwill and intangible assets	–	13,611
Add back cost of share-based payments on preference shares	1,781	1,942
Add net amount of deferred staff remuneration	(3,116)	(613)
Profit after tax for purpose of adjusted basic and adjusted diluted total EPS	57,347	51,413

The adjusted EPS figure includes an adjustment for deferred remuneration costs. The Group believes that aligning staff remuneration and profits generated in the same period will allow users of the financial statements a useful supplemental understanding of the Group's results and their comparability year on year.

Exceptional items were also excluded from the adjusted EPS calculations as they included non-cash/non-recurring costs such as amortisation and impairment of previously acquired goodwill and intangible assets.

	31 March 2026 Number of shares '000	31 March 2025 Number of shares '000
Weighted average number of shares		
Weighted average number of ordinary shares, excluding own shares, for the purpose of basic and adjusted basic EPS	96,812	96,556
Effect of dilutive potential shares – LTIPs, share options and preference shares crystallised but not yet issued	2,360	1,313
Weighted average number of ordinary shares, for purpose of diluted and adjusted diluted total EPS	99,172	97,869

	31 March 2026 Pence	Restated[1] 31 March 2025 Pence
Earnings per share		
Basic	60.6	36.6
Diluted	59.2	36.1
Adjusted basic	59.2	53.2
Adjusted diluted	57.8	52.6

1. Comparative figures have been restated to correct the adjusted profit before tax figure used in the calculation for Adjusted basic and Adjusted diluted EPS. See Note 2 for further information.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

SECTION 4: DETAILED INFORMATION ON CONSOLIDATED BALANCE SHEET ITEMS

This section provides additional information about individual line items in the consolidated balance sheet, including the relevant accounting policies.

4.1 Goodwill and intangible assets

Goodwill arising on the acquisition of a business is the excess of the consideration paid over the net identifiable assets acquired and liabilities assumed. Goodwill is measured at cost less any accumulated impairment losses. Impairment testing is based on the expected future benefits of the relevant cash-generating unit (CGU) as a whole.

Intangible assets such as investment management contracts acquired separately are measured on initial recognition at cost which is their fair value as at acquisition date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, with the related expenditure or charge recognised in the consolidated statement of profit or loss. Intangible assets are amortised on a straight-line basis over their useful economic lives. Intangible assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss on derecognition is included in the consolidated statement of profit or loss.

Goodwill and the related investment management contract intangible asset arose on the acquisition of Dalton Capital (Holdings) Limited, the parent company of Dalton Strategic Partnership LLP, a UK-based boutique asset manager acquired on 26 February 2021, and were attributable to a single CGU. Both were impaired in full during the year ended 31 March 2025 and the carrying value at 31 March 2026 and 31 March 2025 is £nil.

	Goodwill £'000	Investment management contracts £'000	Total £'000
Cost			
As at 1 April 2024	6,732	18,647	25,379
As at 31 March 2025	6,732	18,647	25,379
Accumulated amortisation and impairment			
As at 1 April 2024	–	10,605	10,605
Amortisation for the year	–	1,163	1,163
Impairment for the year	6,732	6,879	13,611
As at 31 March 2025	6,732	18,647	25,379
Net book value as at 31 March 2025	–	–	–

For the year ended 31 March 2025, amortisation and impairment of intangible assets and goodwill were treated as exceptional items (see Note 3.8).

4.2 Property and equipment

Property and equipment is made up of leasehold improvements, computer equipment and office furniture and right-of-use lease assets (see Note 4.3).

Property and equipment (excluding right-of-use lease assets) are stated at cost, including directly attributable acquisition costs, less depreciation and accumulated impairment provisions. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful economic life.

Depreciation is charged from the date that the asset is brought into use on a straight-line basis as follows:

Leasehold improvements	10%
Computer equipment	33%
Office furniture	33%
Right-of-use assets	Shorter of the lease term and the estimated useful life of the asset

Property and equipment is derecognised upon disposal or when no future economic benefit is expected from its use. Any gain or loss arising on the disposal is included in the consolidated statement of profit or loss.

The residual values, useful lives and methods of depreciation of property and equipment are reviewed regularly and adjusted prospectively, if appropriate.

	Right-of-use assets £'000	Leasehold Improvements £'000	Computer Equipment £'000	Office Furniture £'000	Total £'000
2026					
Cost					
As at 1 April 2025	18,999	2,510	1,367	562	23,438
Additions	551	9	141	15	716
Disposals	(1,581)	(378)	–	(7)	(1,966)
As at 31 March 2026	17,969	2,141	1,508	570	22,188
Accumulated Depreciation					
As at 1 April 2025	13,588	2,059	1,147	515	17,309
Charge for the year	2,060	229	142	27	2,458
Disposals	(1,373)	(147)	–	(3)	(1,523)
As at 31 March 2026	14,275	2,141	1,289	539	18,244
Net book value as at 31 March 2026	3,694	–	219	31	3,944

	Right-of-use assets £'000	Leasehold Improvements £'000	Computer Equipment £'000	Office Furniture £'000	Total £'000
2025					
Cost					
As at 1 April 2024	18,850	2,522	1,226	533	23,131
Additions	149	–	141	29	319
Disposals	–	(12)	–	–	(12)
As at 31 March 2025	18,999	2,510	1,367	562	23,438
Accumulated Depreciation					
As at 1 April 2024	11,551	1,768	1,013	492	14,824
Charge for the year	2,037	291	134	23	2,485
As at 31 March 2025	13,588	2,059	1,147	515	17,309
Net book value as at 31 March 2025	5,411	451	220	47	6,129

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

4.2 Property and equipment continued

For the year ended 31 March 2026, additions to the right-of-use assets included £0.6m in respect of a new premises in Florida, USA offset by a reduction in the right-of-use asset for the Company's premises in Zurich and Connecticut, USA of (£1.6m) as a result of early lease terminations. The weighted average lessee's incremental borrowing rate applied for the additional right-of-use asset was 8.6% (2025: incremental borrowing rate of 8.8% and £0.2m additions in respect of a new premises in Tennessee, USA offset by a reduction in the right-of-use asset for the company's premises in Zurich of (£0.1m) as a result of a lease modification).

4.3 Leases

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-Use (ROU) assets

The Group recognises ROU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities and presented with property and equipment (see Note 4.2). The cost of ROU assets includes the initial amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. ROU assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, payments of penalties for terminating a lease and amounts expected to be paid under residual value guarantees. In calculating the present value of lease payments, the Group uses an incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The Group's lease liabilities are included in trade and other payables and non-current provisions and other liabilities.

Short-term and low value leases

Lease payments on short-term leases (where the lease term is 12 months or less) and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

A maturity analysis of the Group's lease liabilities is as follows:

Lease liabilities	31 March 2026 £'000	31 March 2025 £'000
Current (See Note 4.11)	2,317	2,397
Non-current (See Note 4.10)	1,734	3,751
	4,051	6,148

The lease liabilities relate to the two leases in respect of the Group's premises at 16 Palace Street in London, both expiring in January 2028, the lease in respect of the Group's premises in Tennessee expiring in July 2029 and the lease in respect of the Group's premises in Florida expiring in August 2029.

The movement in lease balances during the year was a reduction of (£2.1m), consisting of £2.6m lease payments, £0.3m related to early termination of the Zurich and Connecticut leases offset by £0.2m interest expense capitalised to the lease liability and £0.6m net additions arising from new premises in Florida (2025: The movement in lease balances was (£1.4m), of which £1.7m were lease payments, £0.2m was the interest expense and £0.1m were additions).

The consolidated statement of profit or loss includes the following amounts relating to leases:

	31 March 2026 £'000	31 March 2025 £'000
Interest expense on lease liabilities	198	205
Depreciation on ROU assets	2,060	2,037
	2,258	2,242

There are no lease expenses incurred in relation to low-value assets or short-term leases.

4.4 Deferred tax assets and liabilities

Deferred tax is recognised based on differences between the carrying value of assets and liabilities for accounting purposes and their tax values (See Note 3.7). Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are only recognised to the extent that the Group considers them to be recoverable; which is determined by reference to estimates that future taxable profits will be available against which deductible temporary differences can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The deferred tax asset at 31 March 2026 has been calculated based on 25%, reflecting the expected timing of reversal of the related temporary differences (2025: 25%).

An analysis of the Group's deferred tax assets and liabilities is as follows:

Deferred tax asset	31 March 2026 £'000	31 March 2025 £'000
Share-based payments	3,884	3,544
Arising on leases	104	351
Assets at FVTPL	–	311
Unutilised capital losses	1,075	–
Other financial assets and liabilities	969	496
	6,032	4,702

Deferred tax liability	31 March 2026 £'000	31 March 2025 £'000
Capital allowances	(76)	(53)
Assets at FVTPL	(298)	–
Other financial assets and liabilities	–	(385)
	(374)	(438)
Net deferred tax asset	5,658	4,264

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

4.4 Deferred tax assets and liabilities continued

Deferred tax movements recognised in the consolidated statement of profit or loss and the consolidated statement of other comprehensive income were as follows:

	31 March 2026 £'000	31 March 2025 £'000
Deferred tax income/(expense) during the year recognised in profit or loss		
Share-based payments	(1,004)	239
Capital allowances	(23)	213
Change in basis adjustment	–	(101)
Assets at FVTPL	(609)	(51)
Other financial assets and liabilities	858	421
Leases	(247)	(265)
Amortisation and impairment of intangible assets	–	2,011
Unutilised capital losses	1,075	(166)
	50	2,301

	31 March 2026 £'000	31 March 2025 £'000
Deferred tax income during the year recognised in equity		
Share-based payments	1,344	25
Deferred tax income during the year recognised through business combination		
Intangible assets	–	2,011

After offsetting deferred tax assets and liabilities within separate tax jurisdictions where appropriate, the net deferred tax balances comprise:

Deferred tax balances	31 March 2026 £'000	31 March 2025 £'000
Deferred tax assets	5,658	4,264
	5,658	4,264

4.5 Financial assets and liabilities

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognised on the Group's consolidated balance sheet when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the assets have expired or where they have been transferred and the Group has also transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability has been discharged, cancelled or has expired.

Financial assets

The Group's financial assets include seed capital investments (see note 4.5(a)), investment securities (see note 4.5(a)), trade and other receivables (see note 4.8), cash and cash equivalents (see note 4.9), term deposits with a maturity greater than three months and derivative financial instruments (see note 4.5(c)). The classification adopted by the Group depends on the purpose for which the financial assets were acquired and is determined at initial recognition.

Financial assets are initially recognised at fair value, being the consideration given, plus, any directly attributable transaction costs, except in the case of financial assets recorded at fair value through profit or loss where transaction costs are immediately recognised in the consolidated statement of profit or loss.

Purchases and sales of financial assets are recognised at trade date, being the date when the Group commits to purchase or sell the asset.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets at FVTPL include the Group's investments in the funds that it manages, but does not control, including those which are held by the Group against bonus awards deferred into fund units. Such assets are subsequently carried at fair value, with any gains or losses arising from changes in fair value being recognised in the consolidated statement of profit or loss.

Investment securities

Investment securities represent securities both long and short positions, other than derivatives, held by consolidated funds. These securities are classified as FVTPL and are measured at fair value with gains and losses recognised through the consolidated statement of profit or loss.

Financial liabilities

The Group's financial liabilities include trade and other payables (see note 4.11), derivative financial instruments (see note 4.5(c)) and third-party interests in funds (see note 4.5(a)(ii)) that have been consolidated as subsidiaries.

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL are carried at fair value, with gains and losses recognised in the consolidated statement of profit or loss within other income in the period in which they arise. Financial liabilities at FVTPL include third-party interests in consolidated funds which are classified as at FVTPL.

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4.5 Financial assets and liabilities continued

(a) Financial assets at fair value through profit or loss

	31 March 2026 £'000	31 March 2025 £'000
Direct seed investments	19,706	23,847
Investment securities (See Note 4.5 (a)(ii))	10,455	19,028
Fund units held against deferred remuneration (See Note 3.5)	27,306	20,472
Assets at fair value through profit or loss	57,467	63,347

The Group's seed investments represent capital seeding in new funds, that it manages, in order to provide initial scale and facilitate marketing to third-party investors. At 31 March 2026 the Group held £26.0m (2025: £37.3m) of seed investments comprising direct seed investments of £19.7m (2025: £23.8m) and consolidated seed investments of £6.3m (2025: £13.5m).

(i) Direct seed capital investments

These represent seed investments where the Group is deemed to not exercise control over the funds including seed capital investments in funds that are classed as associates (see Note 2.3) where the Group has significant influence but does not control the fund. At 31 March 2026 there was one fund classed as an associate (see Note 4.7) (2025: one fund).

During the year, the Group partially redeemed one of its seed capital investments for a cash consideration of £5.0m and completed an add-on acquisition of another seed capital investment, which itself was then subsequently partially redeemed for a cash consideration of £14.8m (2025: one fund fully redeemed and one fund partially redeemed for a total cash consideration of £6.5m). The fair values of such financial assets are derived from quoted market prices in active markets.

(ii) Consolidated funds and investment securities

As at 31 March 2026 the Group has consolidated three funds (2025: five funds) over which it is deemed to have control (see Note 4.6). Consolidated funds represent seed capital investments where the Group's interest represents a controlling stake in the fund in accordance with IFRS 10. Consolidated fund assets and liabilities are presented line by line after intercompany eliminations.

The table below sets out an analysis of the carrying amounts of interests held by the Group in consolidated investment funds:

	31 March 2026 £'000	31 March 2025 £'000
Investment securities – long positions	10,455	19,028
Cash and cash equivalents	43	325
Other	118	(34)
Third-party interests in consolidated funds	(4,304)	(5,793)
Consolidated seed capital investments	6,312	13,526

Investment securities include listed equities held by consolidated funds. Other includes trade receivables, trade payables and accruals.

Significant area of judgement

Additional judgement is required when determining whether the Group controls funds that it has invested seed money in. The Group has power over the funds that it manages through its investment management and other agreements with them. Additionally, the Group must determine whether it is acting primarily as a principal or as an agent (that is, on behalf of the other investors) in exercising its power over the funds. In assessing whether it is agent or principal, the Group considers a number of factors, including the scope of its decision-making over the funds' relevant activities, rights held by investors and others, remuneration that it earns from the funds, and the Group's exposure to variable returns from all sources (including fees and units held) for each fund.

The Group has assessed that exposure to variability of returns, driven by the percentage holding of a seeded fund is the primary means for determining whether control exists.

(b) Financial liabilities at fair value through profit or loss

An analysis of the Group's financial liabilities at fair value through profit or loss is set out below.

	31 March 2026 £'000	31 March 2025 £'000
Current:		
Third-party interests in consolidated funds (Note 4.5 (a)(ii))	4,304	5,793
Other financial liability	–	15
	4,304	5,808
Non-current:		
Other financial liability	–	68
Liabilities at fair value through profit or loss	4,304	5,876

(c) Other financial assets and liabilities (Derivatives)

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments to hedge the risks associated with market price and foreign currency fluctuations. Such instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivative financial instruments are classified as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. From 1 April 2019 the documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements including the analysis of sources of hedge ineffectiveness.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- there is an 'economic relationship' between the hedged item and the hedging instrument;
- the effect of credit risk does not 'dominate the value changes' that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

Forward currency contracts used for currency hedging purposes are treated as cash flow hedges and the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while the ineffective portion is taken to the statement of profit or loss. Amounts recognised as other comprehensive income are transferred to the consolidated statement of profit or loss when the hedged expected future cash flows affect profit or loss.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

4.5 Financial assets and liabilities continued

	31 March 2026 £'000	31 March 2025 £'000
Other financial assets		
Derivatives not designated as hedging instruments		
Securities – short positions	–	1,508
Foreign exchange forward contracts	–	31
	–	1,539
Other financial liabilities		
Derivatives not designated as hedging instruments		
Securities – short positions	2,872	–
Foreign exchange forward contracts	162	–
	3,034	–

Derivatives not designated as hedging instruments reflect the changes in fair values of foreign currency exchange forward contracts and short positions of securities that are not designated in hedge relationships, but are, nevertheless intended to reduce the level of foreign currency and price risk, respectively, on the Group's seed investments as described in Note 4.14.

The Group does not have any derivatives designated as hedging instruments, classed as cash flow hedge, at 31 March 2026 (2025: none).

4.6 Subsidiary undertakings

The consolidated financial statements of the Group include the operating subsidiaries listed below. At 31 March 2026 and 2025 all operating subsidiaries, other than Polar Capital Partners Limited and Polar Capital US Holdings Limited, were indirectly held. During the year, Polar Capital Holdings LLC, a subsidiary of the Group was liquidated. All operating subsidiaries are wholly owned, except for: Polar Capital LLP in which Polar Capital Partners Limited has contributed 64% (2025: 72%) of the capital. The Company is deemed to be the controlling party of Polar Capital LLP (see Note 2.2).

Name	Country of incorporation	Registered office	Principal activities
Polar Capital Partners Limited	UK	16 Palace Street, London, UK	Services company
Polar Capital US Holdings Limited	UK	16 Palace Street, London, UK	Investment holding company
Polar Capital LLP	UK	16 Palace Street, London, UK	Investment management
Polar Capital Secretarial Services Limited	UK	16 Palace Street, London, UK	Corporate secretary
Polar Capital Partners (Jersey) Limited	Jersey	12 Castle Street, St Helier, Jersey	Dormant
Polar Capital (America) Corporation	USA	2711 Centreville Road, Wilmington, Delaware, USA	Investment advisory
Polar Capital (Europe) SAS	France	18 Rue de Londres, Paris, France	Investment management
Polar Capital (Shanghai) Consulting Co Limited	China	Bund Finance Centre S2, No.600 Zhongshan East 2 Road, Shanghai, China	Services company
Polar Capital (Switzerland) AG	Switzerland	Bahnhofstrasse 10, Zurich, Switzerland	Investment management
Polar Capital (Singapore) Private Limited	Singapore	77 Robinson Road, #13–00, Robinson 77, Singapore (068896)	Services company

The consolidated financial statements of the Group also include the following seed capital investments and indirectly held entities which were judged to require consolidation into the Group as at 31 March 2026:

Name	Country of incorporation	Registered office	Principal activities	Percentage of ordinary shares held
Polar Capital Smart Mobility Fund	Ireland	4 Georges Court, 54–62 Townsend Street, Dublin, Ireland	UCITS sub-fund	57%
Polar Capital Emerging Market Healthcare Fund	Ireland	4 Georges Court, 54–62 Townsend Street, Dublin, Ireland	UCITS sub-fund	50%
Polar Capital Emerging ex-China Stars Fund	Ireland	4 Georges Court, 54–62 Townsend Street, Dublin, Ireland	UCITS sub-fund	87%

The Group was deemed to have lost control over two of its seed capital investments during the current financial year. The Group has therefore deconsolidated Polar Capital Emerging Market ex-China Stars Fund, the US 40-Act mutual fund, and Polar Capital China Stars Fund effective 9 and 24 February 2026, respectively.

4.7 Interests in structured entities

The Group has interests in structured entities as a result of contractual arrangements in its capacity as the fund manager to investment funds. These structured entities typically consist of investment vehicles such as open-ended Undertakings for Collective Investment in Transferable Securities (UCITS) funds, closed-ended investment trusts and alternative funds which entitle investors to a percentage of the vehicle's net asset value. The Group's interest in consolidated and unconsolidated structured entities are described below.

The Group does not sponsor any of the structured entities and there are no guarantees or commitments.

(a) Interests arising from managing client assets

The Group has an interest in funds that it manages as a result of the management of assets on behalf of its clients and this interest is reflected in the Group's AuM, as disclosed on page 3. The main risk the Group faces from its interest in AuM managed on behalf of clients is the loss of fee income as a result of the withdrawal of monies by clients.

The AuM of consolidated funds within the total AuM reported by the Group on page 3 is shown below:

	31 March 2026 £'bn	31 March 2025 £'bn
AuM within consolidated funds	0.15	0.02

(b) Interests arising from investment in unconsolidated structured entities

Where the Group has an equity holding in a fund it manages, the maximum exposure to loss constitutes the future and uncollected management fees plus the fair value of the Group's investment in that fund. The table below shows the carrying values of the Group's interests in unconsolidated structured entities, recognised in the Group consolidated balance sheet, which are equal to the Group's maximum exposure to loss from those interests.

	31 March 2026 £'000	31 March 2025 £'000
Investments in unconsolidated structured entities	47,012	44,319
Management fees receivable at year end	21,959	17,293

Investments in unconsolidated structured entities comprise of direct seed investments and fund units held against deferred remuneration and are included within financial assets at fair value through profit or loss. Management fees receivable are included within trade and other receivables in the consolidated balance sheet.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

4.7 Interests in structured entities continued

(c) Associates

Information about seed investments judged to be associates as at 31 March 2026 and 2025 is given below:

	Country of incorporation	Principal activities	Financial assets at FVTPL £'000m		Percentage of total AuM held	
			31 March 2026	31 March 2025	31 March 2026	31 March 2025
Polar Capital Healthcare Discovery Fund*	Ireland	UCITS sub-fund	1,478	4,210	30%	28%

* Polar Capital Healthcare Discovery Fund became an associate during 31 March 2024 due to dilution of third party share of AuM.

The registered office of the Polar Capital Healthcare Discovery Fund is 4 Georges Court, 54–62 Townsend Street, Dublin, Ireland.

4.8 Trade and other receivables

Trade and other receivables includes prepayments and other amounts which the Group is due from third parties in the normal course of business. Trade receivables and other receivables are initially recorded at fair value and subsequently at amortised cost using the effective interest method, less loss allowances. The Group applies the IFRS 9 simplified approach to measuring expected credit losses (ECLs) for trade receivables and other receivables at an amount equal to lifetime ECLs. Historically the Group has not experienced any material defaults and the Group does not expect to incur any credit losses and has not recognised any ECLs (2025: nil). Prepayments arise where the Group pays cash in advance for services. As the service is provided, the prepayment is reduced and the operating expense is recognised in the consolidated statement of profit or loss.

	31 March 2026 £'000	31 March 2025 £'000
Trade receivables	21,959	17,293
Other receivables	4,304	2,658
Prepayments	3,542	2,929
	29,805	22,880

The Group does not have any contract assets resulting from its revenue contracts with customers (2025: nil).

4.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

	31 March 2026 £'000	31 March 2025 £'000
Cash and cash equivalents	144,563	117,205
Cash equivalents – cash held with counterparty to fulfil collateral requirements	6,037	2,882
Cash held by EBT and consolidated funds	387	1,732
	150,987	121,819

Cash and cash equivalents earns interest at floating rates based on daily bank deposit rates.

As at 31 March 2026 the Group had placed £6.0m (2025: £2.9m) of its cash at bank with counterparties to fulfil the collateral requirements for derivative contracts related to short positions (see Note 4.5(c)).

Cash flows generated from operations

A reconciliation of profit before tax to cash generated from operations is as follows:

	31 March 2026 £'000	31 March 2025 £'000
Profit before tax	76,856	51,645
Adjustments for:		
Interest receivable and similar income	(1,864)	(2,682)
Investment income	(1,089)	(345)
Interest on lease	198	205
Depreciation of non-current property and equipment	2,458	2,485
Amortisation and impairment of goodwill and intangible assets	–	14,775
Increase in assets at FVTPL	(3,815)	(1,772)
Increase in other financial assets and liabilities	5,764	1,567
Increase in receivables	(6,924)	(1,810)
Increase in trade and other payables including other provisions	14,379	5,727
Share-based payment	7,666	7,009
Increase in liabilities at FVTPL[1]	1,253	60
Changes relating to fund units held against deferred remuneration	(3,898)	3,843
Cash flows generated from operations	90,984	80,707

1. Movement includes those arising from acquiring and/or losing control of consolidated seed funds.

4.10 Provisions and other liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

(a) Non-current

	31 March 2026 £'000	31 March 2025 £'000
Dilapidations provisions	1,165	1,372
Lease liabilities (Note 4.3)	1,734	3,751
	2,899	5,123

As part of its lease agreements for the premises at 16 Palace Street, the Group has an obligation to pay for dilapidation costs at the end of the lease term. The movement in the dilapidations provision balance is as a result the release of the Zurich provision upon early termination of the Zurich lease (2025: Prior year movement in the dilapidations provision related to foreign currency exchange differences).

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

4.11 Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on settlement. Other creditors include the deferred remuneration liability, refer to Note 3.5 for the accounting policy. Refer to Note 4.3 for the lease accounting policy.

	31 March 2026 £'000	31 March 2025 £'000
Other creditors	55,847	44,583
Lease liabilities (Note 4.3)	2,317	2,397
Accruals	27,381	24,178
	85,545	71,158

4.12 Issued share capital and reserves

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction from the proceeds.

Share Buyback

The Group may buy back its own shares as part of a buyback plan. The costs of repurchasing ordinary shares including related stamp duty and transaction costs are taken directly to equity and reported through the Statement of Changes in Equity as a charge on the distributable profits within retained earnings. Share repurchase transactions are accounted for on a trade-date basis, reflecting the point at which the Group becomes committed to the transaction.

The nominal value of ordinary share capital repurchased and subsequently cancelled is transferred out of called up share capital and into the capital redemption reserve.

Own shares held

The Group operates, and funds by way of loan, an employee benefit trust for the purpose of satisfying certain share awards to employees. Own shares held are equity shares of the Company acquired and held by this trust. Such shares are recognised at cost and are presented in the Group balance sheet as a deduction from equity. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's own shares.

(a) Issued share capital Group and Company

Allotted, called up and fully paid:	31 March 2026 £'000	31 March 2025 £'000
100,557,460 ordinary shares of 2.5p each (2025: 101,560,405 ordinary shares of 2.5p each)	2,514	2,539

The authorised share capital of the Group and Company is 200,000,000 ordinary shares of 2.5p each.

On 16 January 2026, the Company announced an on-market Share Buyback Programme of up to £15.0m. The sole purpose of the Share Buyback Programme is to reduce the Company's share capital. The Share Buyback Programme commenced on 19 January 2026 and is expected to be completed on or before 19 July 2026.

The decrease in share capital arises from the repurchase and cancellation of 1,010,914 (2025: nil) shares as a result of the Group's Share Buyback Programme offset by the issue of 7,969 (2025: 364,526) shares in connection with previously crystallised manager preference shares as described in Note 3.6.

(b) Nature and purpose of reserves

(i) Share premium

Share premium records the difference between the nominal value of shares issued and the full value of the consideration received.

(ii) Own shares held

At 31 March 2026 there were 4,646,052 shares of 2.5p each (2025: 5,173,948 shares of 2.5p each) held by the Employee Benefit Trust (EBT), for the purpose of satisfying share option obligations to employees and 659,161 (2025: 526,858) shares of 2.5p each held by Group entities as part of the Group Deferred Remuneration Plan. During the year, 744,096 (2025: 899,079) shares were released from the EBT to satisfy the exercise of employee share options and LTIP awards.

(iii) Capital reserves

The capital reserve represents a share capital repurchase reserve.

(iv) Other reserves

Other reserves relate to movements in:

- current and deferred tax that arise on share-based payments; and
- exchange differences arising on translation of foreign operations.

4.13 Dividends paid and proposed

Dividend distributions to the Company's shareholders are recognised in the accounting period in which the dividends are declared and paid.

Dividends on ordinary shares declared and paid during the year:

	31 March 2026 £'000	31 March 2025 £'000
First interim dividend for 2026: 14.0p per share (2025: 14.0p per share)	13,582	13,534
Second interim dividend for 2025: 32.0p per share (2024: 32.0p per share)	30,942	30,869
Total dividend paid and charged to equity	44,524	44,403

Dividends on ordinary shares proposed for approval by the board of directors (not recognised as a liability at 31 March 2026):

	31 March 2026 £'000	31 March 2025 £'000
Second interim dividend for 2026: 32.0p per share (2025: 32.0p per share)	30,593	30,943

The Board has declared a second interim dividend per share of 32.0p (2025: 32.0p) to be paid in August 2026.

Together with the first interim dividend per share of 14.0p paid in January 2026 the total dividend per share for the year amounts to 46.0p (2025: 46.0p).

4.14 Financial instruments risk management objectives and policies

The main areas of risk arising from the Group's financial instruments are credit risk, liquidity risk, market risk (which comprises price, interest rate and foreign currency risks) and capital risk. Each of these risks is discussed in detail below. The Group monitors financial risks on a consolidated basis and intra-Group balances are settled when it is deemed appropriate for both parties to the transaction. The Company is not exposed to material financial risk and separate disclosures for the Company have not been included. The Group has designed a framework to manage the risks of its business and to ensure that the Directors have in place risk management practices appropriate for a listed company. The management of risk within the Group is governed by the Board and overseen by the Audit and Risk Committee.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

4.14 Financial instruments risk management objectives and policies continued

(i) Credit risk

Credit risk is the risk of financial loss if a counterparty fails to settle its debt to the Group. The Group is exposed to credit risk primarily from its treasury activities including deposits held with banks and financial institutions but also from its trade receivables.

Amounts placed on deposit are invested according to a treasury policy that is designed to reduce concentration and counterparty risk. The carrying value of the Group's cash and cash equivalents amounting to £151.0m (2025: £121.8m) represents its maximum exposure to credit risk at the year end.

Fees due from funds managed by the Group are invoiced monthly or quarterly and are settled within 30 days of the invoice date. There have not been settlement issues with any funds and the risk is therefore regarded as low. The carrying value of trade receivables amounting to £22.0m (2025: £17.3m) represents the Group's maximum credit risk exposure.

There were no significant concentrations of credit risk at 31 March 2026 (2025: none).

(ii) Liquidity risk

Liquidity risk is the risk that the Group may be unable to meet its payment obligations as they fall due. The Group maintains significant liquid resources in the form of cash in order to meet working capital and regulatory needs. The Group's treasury policy is designed to align the duration period of the cash investments to the working capital requirements of the Group which from time to time, may invest in term deposits with a maturity of greater than three months to take advantage of favourable interest rates.

The Group's financial liabilities comprise lease liabilities, trade and other payables, derivative instruments and third-party interests in funds that have been consolidated as subsidiaries. The table below summarises the maturity profile of the Group's financial liabilities as at 31 March 2026 and 31 March 2025 based on contractual undiscounted payments.

As at 31 March 2026	Within 1 year or repayable on demand £'000	1–5 years £'000	Total £'000
Financial liabilities			
Lease liabilities	2,434	1,799	4,233
Trade and other payables	83,228	–	83,228
Financial liabilities at FVTPL	4,304	–	4,304
Total	89,966	1,799	91,765

As at 31 March 2025	Within 1 year or repayable on demand £'000	1–5 years £'000	Total £'000
Financial liabilities			
Lease liabilities	2,585	3,872	6,457
Trade and other payables	68,761	–	68,761
Financial liabilities at FVTPL	5,808	68	5,876
Total	77,154	3,940	81,094

(iii) Price risk

Price risk is the risk that changes in market prices will affect the Group's income or value of its investments.

The Group holds financial assets at fair value through profit or loss consisting of seed investments in funds that it manages and investment securities consisting of the underlying investments of the funds which have been consolidated, which are sensitive to movements in market equity prices. The total exposure as at 31 March 2026 was £30.2m (2025: £42.9m).

The Group's policy is to hedge the market price risk of its seed investments as explained in Note 4.5(c).

Should the market move by +/- 10%, and all the funds (and hence the Group's investments) move by this same amount, it would result in a change to the carrying value of the assets of +/- £3.0m (2025: +/- £4.3m).

This movement would be recognised in the consolidated statement of profit or loss.

(iv) Interest rate risk

Interest rate risk is the risk that the fair value or cash flows related to financial instruments will fluctuate because of changes to market interest rates.

The Group's cash at banks and other financial institutions earn nominal amounts of interest at a floating rate and any change in market interest rates would result in negligible change to profit before tax. The Group enters into term-deposits at fixed interest rates with banks and financial institutions to take advantage of favourable fixed interest rates which are not subject to interest rate fluctuations. The Group has no borrowings.

(v) Foreign currency risk

Foreign currency risk is the risk that changes in foreign exchange rates will cause the Group to suffer losses.

The Group also holds assets at FVTPL consisting of investments in its own funds. Where such investments are made in funds denominated in a currency other than the Group's functional currency, Sterling, the Group is exposed to changes in foreign currency exchange rates.

As at the year-end there were six (2025: eight) seed investments where the Group has hedged against the risk of exposure to changes in the foreign currency exchange rates caused by the underlying US Dollar (2025: US Dollar) assets within these funds. The Group had six (2025: eight) forward currency contracts, with a notional amount of US$22.9m (2025: US$33.3m) to sell for £17.2m (2025: £25.8m). These contracts are not designated as hedging instruments and are not subject to hedge accounting.

The Group's hedging policy for the year ended 31 March 2026 serves to mitigate its exposure to foreign currency risk on its balance sheet investments. Any changes in foreign exchange rates will have an equal and opposite effect on the hedged items and open forward currency contracts.

(vi) Capital management

All companies within the Group except for entities being restructured, are managed as going concerns and have sufficient capital to meet their day-to-day needs and to fulfil any externally imposed capital requirements. The capital of the Group and the Company consists of equity attributable to equity holders of the parent company, comprising issued share capital, share premium, reserves and retained earnings as disclosed in Note 4.12.

The Group is supervised by the Financial Conduct Authority and submits appropriate returns on the capital adequacy of both the Group and the regulated entity, Polar Capital LLP. Throughout the year the Group and Polar Capital LLP held surplus capital over the regulated requirement. The Group's MIFIDPRU public disclosure document can be found on the Group's website at www.polarcapital.co.uk.

(vii) Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Notes to the Consolidated Financial Statements continued

For the year ended 31 March 2026

4.14 Financial instruments risk management objectives and policies continued

At the end of both the current year as well as the comparative period, all financial instruments at fair value through profit or loss held by the Group were Level 1 except for:

- forward foreign exchange contracts classified as Level 2. These were fair valued using valuation techniques that incorporate foreign exchange spot and forward rates.
- other financial liability classified as Level 3. This was fair valued using a discounted cash flow models that incorporates unobservable inputs.

The fair value hierarchy of financial assets and liabilities which are carried at fair value at the year-end is as follows:

	31 March 2026				31 March 2025			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets								
Assets at FVTPL	57,467	–	–	57,467	63,347	–	–	63,347
Other financial assets	–	–	–	–	1,508	31	–	1,539
	57,467	–	–	57,467	64,855	31	–	64,886
Financial liabilities								
Liabilities at FVTPL	4,304	–	–	4,304	5,793	–	83	5,876
Other financial liabilities	2,872	162	–	3,034	–	–	–	–
	7,176	162	–	7,338	5,793	–	83	5,876

Movement in liabilities at FVTPL categorised as Level 3 during the year were:

	31 March 2026 £'000	31 March 2025 £'000
At 1 April	83	294
Repayment	(5)	(39)
Net gain recognised in the statement of profit or loss	(78)	(172)
At 31 March	–	83

The fair value of financial instruments not held at fair value approximates to their carrying value as at reporting date. During the reporting year there were no transfers between levels in fair value measurements.

4.15 Contingent liabilities

Contingent liabilities are potential obligations that may arise due to uncertain future events that are not wholly within the control of the Group. Such liabilities are disclosed when the chance of such events occurring is no longer remote.

There are no contingent liabilities to disclose at 31 March 2026 (2025: nil).

4.16 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not included in this Note.

The investments in financial assets at FVTPL disclosed in Note 4.5(a) are in affiliated funds that are managed by a subsidiary of the Group and details of management and performance fees received are disclosed in Note 3.1.

Details of investment in associates are disclosed in Note 4.7(c).

Remuneration of key management personnel

The remuneration, net of deferment, of key management, which includes the Executive and Non-Executive Directors, is summarised below.

	31 March 2026 £'000	31 March 2025 £'000
Short-term employee benefits	3,535	3,576
Defined contribution pensions	142	158
Share-based payment benefits	1,734	1,545
	5,411	5,279

At the end of the year the Group had no balances owing to or in regards to key personnel (2025: £nil). Options to acquire ordinary shares held by the Directors during the year ended 31 March 2026 are disclosed in the Remuneration Committee's Report.

Company Balance Sheet

As at 31 March 2026

	Note	31 March 2026 £'000	31 March 2025 £'000
Non-current assets			
Investments	5.2	23,364	19,881
Current assets			
Trade and other receivables	5.3	43,401	51,528
Cash and cash equivalents		3,405	728
		46,806	52,256
Current liabilities		231	32
Net assets		69,939	72,105
Capital and reserves			
Issued share capital		2,514	2,539
Share premium		19,364	19,364
Capital reserves		25	–
Retained earnings			
At 1 April		50,202	48,972
Profit for the year		44,668	44,522
Other movements		(46,834)	(43,292)
		48,036	50,202
Total Equity		69,939	72,105

The notes on page 136 form part of these financial statements.

The Company financial statements were approved and authorised for issue by the Board on 30 June 2026 and signed on its behalf by:

Samir Ayub
Chief Financial Officer

Registered number: 4235369

Company Statement of Changes in Equity

For the year ended 31 March 2026

	Note	Issued share capital £'000	Share premium £'000	Capital Reserves £'000	Retained earnings £'000	Total equity £'000
As at 1 April 2024		2,530	19,364	–	48,972	70,866
Profit for the year		–	–	–	44,522	44,522
Dividends paid to shareholders	4.13	–	–	–	(44,403)	(44,403)
Share-based payments		–	–	–	5,012	5,012
Issue of share capital	4.12	9	–	–	(3,901)	(3,892)
As at 31 March 2025		2,539	19,364	–	50,202	72,105
Profit for the year		–	–	–	44,668	44,668
Dividends paid to shareholders	4.13	–	–	–	(44,524)	(44,524)
Share-based payments		–	–	–	5,908	5,908
Release of own shares		–	–	–	(1,958)	(1,958)
Share buyback	4.12	(25)	–	25	(6,260)	(6,260)
As at 31 March 2026		2,514	19,364	25	48,036	69,939

The notes on page 136 form part of these financial statements.

Company Cash Flow Statement

For the year ended 31 March 2026

	Note	31 March 2026 £'000	31 March 2025 £'000
Cash flows generated from operating activities			
Cash generated from operations	5.4	52,994	42,784
Net cash inflow generated from operating activities		52,994	42,784
Cash flows generated from investing activities			
Return of contribution		467	1,794
Net cash inflow from investing activities		467	1,794
Cash flows used in financing activities			
Equity dividends paid		(44,524)	(44,403)
Share buyback		(6,260)	–
Issue of share capital		–	9
Net cash outflow from financing activities		(50,784)	(44,394)
Net increase in cash and cash equivalents		2,677	184
Cash and cash equivalents at start of the year		728	544
Cash and cash equivalents at end of the year		3,405	728

The notes on page 136 form part of these financial statements.

Notes to the Company Financial Statements

For the year ended 31 March 2026

SECTION 5: NOTES TO THE COMPANY FINANCIAL STATEMENTS

5.1 Basis of preparation

The separate financial statements of Polar Capital Holdings plc ('the Company') have been prepared on a going concern basis (see Note 1.3) in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' (FRS 102) and the Companies Act 2006. No profit or loss account is presented for the Company as permitted under section 408 of the Companies Act 2006.

The Company financial statements have been prepared under the historical cost convention and are presented in Sterling and all values are rounded to the nearest thousand (£'000) except where otherwise stated. The accounting policies for the Company are the same as those for the Group except where specifically stated in the following Notes and have been consistently applied. No significant accounting judgements and estimates were used in the preparation of the financial statements.

5.2 Investments

Investments relate to investments in subsidiaries and are held at the lower of cost and recoverable amount. The carrying value is reviewed for impairment when there is an indication that the carrying value may not be recoverable. No indicators of impairment were noted during the year (2025: none). The investments include the Company's wholly owned subsidiaries Polar Capital Partners Limited and Polar Capital US Holdings Limited, details of which are provided in Note 4.6.

	31 March 2026 £'000	31 March 2025 £'000
As at 1 April	19,881	20,564
Share-based payments	5,908	5,012
Return of contribution	(2,425)	(5,695)
As at 31 March	23,364	19,881

Share based payments for awards granted to employees of subsidiary entities where the Company is the grantor of the awards or settles them with its own equity are accounted for as capital contributions by the Company to Polar Capital Partners Limited, with a corresponding credit to equity in the Company financial statements. Amounts returned by subsidiary entities to the Company on settlement of awards are classified as a return of contribution.

5.3 Trade and other receivables

Other receivables for the Company are due from Polar Capital Partners Limited and are non-interest bearing and repayable on demand (Note 5.5).

5.4 Cash flows generated from operations

A reconciliation of profit before taxation to cash generated from operations is as follows:

	31 March 2026 £'000	31 March 2025 £'000
Profit before taxation	44,691	44,546
Decrease/(Increase) in receivables	8,127	(1,732)
Increase/(Decrease) in payables	176	(30)
Cash flows generated from operations	52,994	42,784

5.5 Related party transactions

The Company has an intercompany balance with Polar Capital Partners Limited. The balance receivable from Polar Capital Partners Limited at the end of the year was £43.4m (2025: £51.5m).

5.6 Other disclosures

The Company does not have any employees as they are employed by other Group entities. See Note 3.4(b) for the statutory audit fee for the Company and Note 4.16 for key management personnel remuneration disclosure.

Additional Information

In this section

Glossary

AGM	Annual General Meeting
Alpha	Measure that shows how well (or badly) a stock has performed in comparison to a benchmark index
AMF	Authorité des Marchés Financiers of France
APM	Alternative Performance Measures
AuM	Assets under management
Beta	Measure that shows how volatile a stock’s price has been in comparison to the market as a whole
Board	The Board of Directors of the Company
BPS/basis points	A basis point is a common unit of measure for interest rates and other percentages in finance
Company	Polar Capital Holdings plc
DBP	Deferred Bonus Plan
EBT	An Employee Benefit Trust, a type of discretionary trust established to hold cash or other assets for the benefit of employees, such as shares to satisfy share awards
EPS	Earnings per share
ESG	Environmental, Social and Governance
FCA	Financial Conduct Authority of the United Kingdom
FVTPL	Fair value through profit or loss
GAAP	Generally Accepted Accounting Principles
GDPR	General Data Protection Regulation
Group	The Company and all its subsidiaries
ICARA	Internal Capital Adequacy and Risk Assessment
IFPR	The UK Investment Firm Prudential Regime
LTIP	Long-term Incentive Plan
MiFID II	The second iteration of the Markets in Financial Instruments Directive which is the EU legislation that regulates firms who provide services to clients linked to ‘financial instruments’ (shares, bonds, units in collective investment schemes and derivatives), and the venues where those instruments are traded
PE multiples	Price to Earnings multiples
SFDR	The EU’s Sustainable Finance Disclosure Regulation
SICAV	Open-ended collective investment scheme may be in the form of a contractual fund or an investment company with variable capital
SMCR	Senior Managers and Certification Regime; FCA regulation aimed at protecting consumers and strengthening market integrity by making senior individuals more accountable for their conduct and competence
tCO_2e	Tonnes (t) of carbon dioxide (CO_2) equivalent (e)
TSR	Total Shareholder Return
UCITS	Undertaking for Collective Investment in Transferable Securities; a regulatory framework of the European Commission that creates a harmonised regime throughout the EU for the management and sale of regulated investment funds

Shareholder Information and Advisors

Company No.
Registered in England and Wales
4235369

Registered office
16 Palace Street
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Tel: 020 7227 2700

Group Company Secretary
Tracey Lago

Website
www.polarcapital.co.uk

Annual General Meeting
24 September 2026

Please see separate AGM Notice for details.

Shares
The shares are traded on the Alternative Investment Market of the London Stock Exchange and information on the share price and the Company can be accessed via the Company's website or at www.londonstockexchange.com
code: POLR
Bloomberg: POLR LN

ISIN number
GB00B1GCLT25

SEDOL code
B1GCLT2

Dividends
Where possible, it is recommended that dividend payments are made directly into a bank account to provide improved security and faster access to funds. Arrangements for this may be made via the registrar's website or in writing to the registrar.

Dividends for the financial year ended 31 March 2026:

First interim dividend

Amount
14.0p per ordinary share

Ex-dividend date
11 December 2025

Record date
12 December 2025

Payment date
9 January 2026

Second interim dividend

Amount
32.0p per ordinary share

Ex-dividend date
9 July 2026

Record date
10 July 2026

Payment date
7 August 2026

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