

PCGH ZDP PLC

Annual Report and Financial Statements
for the year ended 30 September 2019

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COMPANY INFORMATION

PCGH ZDP plc (the 'Company') is a public limited company incorporated in England and Wales on 30 March 2017, with registration number 10700107. The principal legislation under which the Company operates is the Companies Act 2006. The Company has a standard listing on the London Stock Exchange.

KEY CONTACTS

Board of Directors

James Robinson (*Chairman*)
Lisa Arnold
Anthony Brampton
Neal Ransome
Andrew Fleming (appointed 1 December 2019)
Jeremy Whitley (appointed 1 December 2019)

Registered Office

16 Palace Street
London
SW1E 5JD

Investment Manager and AIFM

Polar Capital LLP
16 Palace Street
London
SW1E 5JD

Company Secretary

Polar Capital Secretarial Services Limited
16 Palace Street
London
SW1E 5JD

Independent Auditors

PricewaterhouseCoopers LLP
Atria One, 144 Morrison Street
Edinburgh
EH3 8EX

Depositary

HSBC Bank plc
8 Canada Square
London
E14 5HQ

Registrar

Equiniti Limited
Aspect House, Spencer Road
Lancing, West Sussex
BN99 6DA

Legal Adviser

Herbert Smith Freehills LLP
Exchange House, Primrose Street
London
EC2A 2EG

Company identification codes:

TICKER: PGHZ **LEI:** 5493004C3YRF9HEVQI09
SEDOL: BDHXP96 **ISIN:** GB00BDHXP963

STRATEGIC REPORT for the year ended 30 September 2019

The Strategic Report has been prepared under s414A of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Companies Act 2006 (the 'Act'). Its purpose is to inform members of the Company and help them assess how the directors have performed their duty under s172 of the Act.

This Strategic Report is intended to provide information about the Company's strategy and business, its performance and the results for the year under review. The Company is a public limited company with the sole purpose of issuing Zero Dividend Preference ('ZDP') shares. The Company is managed by a board of non-executive directors and the day to day operations of the Company are delegated to the Investment Manager, Polar Capital LLP. The Company's entire ordinary share capital is owned by Polar Capital Global Healthcare Trust plc (the 'parent' or 'PCGH') while the Company's ZDP shares are listed on the London Stock Exchange. PCGH and the Company form the Group (the 'Group').

Chairman's Statement

My report on the activities of the Group for the year ended 30 September 2019 is provided in the Annual Report of the parent company which can be found on both the National Storage Mechanism ('NSM') at www.morningstar.co.uk/uk/nsm and the following website www.polarcapitalhealthcaretrust.com

Performance and Dividends

The sole purpose of the Company is to issue ZDP shares and to advance the proceeds of the issue by way of a loan to PCGH. The sole objective of the Company is to repay the ZDP shareholders on 19 June 2024 (the 'ZDP Repayment Date') their entitlement of 122.99 pence per ZDP share (the 'Final Capital Entitlement') and the performance of the Company in meeting this objective is directly linked to the performance of the portfolio of the parent company. The Directors do not recommend the payment of a dividend.

Key Performance Indicators

Due to the limited nature of the Company's activities, the Board does not consider it necessary to assess the performance of its activities using key performance indicators.

Loan Agreement

The Company and PCGH entered into an intra-group loan agreement (the 'Agreement') on 20 June 2017. Under the Agreement the gross initial ZDP placing proceeds were lent to PCGH. The Agreement provides that interest will accrue daily at an annual rate of 2.5% compounded annually on each anniversary of the ZDP shares admission to listing and will be rolled up and paid to the Company along with any repayment of the principal amount on a date falling 2 business days before the ZDP Repayment Date. PCGH has further provided an Undertaking (the 'Undertaking') to provide additional funding in the event of a short-fall between the final capital entitlement of 122.99 pence per ZDP share and the aggregate principal amount and interest due pursuant to the Agreement at that date. Further information is provided in the notes to the Financial Statements.

The Board and Diversity

The Company has no employees. The Board comprises one female and five male Non-executive Directors. When new directors are appointed, the Board would have regard to the benefits of diversity, including gender.

Management and Service Providers

As the Company's only purpose is to issue ZDP Shares, all of the day to day operational, administration and other activities are outsourced to third party service providers. The key service providers are listed on page 2.

Corporate and Social Responsibility and Modern Slavery

As a financing vehicle, the Company has no direct social, community, employee or environmental responsibilities. The Company has no direct investments as its sole purpose is to provide financing to the Group through the issue of ZDP shares. As the Company does not make any investments it does not subscribe to a socially responsible investment

policy and does not exercise any voting powers. The Company does not provide goods or services in the normal course of business and does not have any customers. Accordingly, it is considered that the Company is not required to make any statements in relation to modern slavery, human trafficking or human rights.

The Environment and Greenhouse Gas Emissions

The Company's core activities are undertaken by its Investment Manager, which seeks to limit the use of non-renewable resources and to reduce waste where possible. The Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 require companies listed on the Main Market of the London Stock Exchange to report on the greenhouse gas ('GHG') emissions for which they are responsible. The Company is a financing vehicle as described above, with neither employees nor premises, consequently, it has no GHG emissions to report from its operations nor does it have responsibility for any other emissions.

Principal Risks and Uncertainties

The Board acknowledges its ultimate responsibility for managing the risks associated with the Company. The principal risks and uncertainties as identified by the Board are:

Capital Value:

The primary risk to the ZDP shareholders is that the assets of the Company are insufficient to repay the final capital entitlement of the ZDP Shares of 122.99 pence per share on the repayment date of 19 June 2024. The payment will be dependent on the parent company's ability to comply with its obligations under the Agreement and the Undertaking.

Investment tenure:

There is a risk that there may not be a liquid secondary market for the ZDP Shares. The investment should therefore be regarded as long-term in nature and should not be considered a suitable short-term investment.

Further details of financial risk management policies and procedures are set out in note 10.

Future Developments

The Company does not have, and does not expect to have, any other business interests, and the current activities of the Company are expected to continue until the scheduled ZDP Repayment Date of 19 June 2024 at which time the Company will enter into voluntary liquidation to wind up its operations.

Approved by the Board of Directors and signed on its behalf by

James Robinson
Chairman
19 December 2019

REPORT OF THE DIRECTORS for the year ended 30 September 2019

The Directors have pleasure in submitting the Annual Financial Report of the Company for the year to 30 September 2019.

Principal Activity

The Company was incorporated for the sole purpose of issuing ZDP shares to raise finance for the Group and consequently it has no investment policy. The Company has a limited life and unless prior alternative arrangements are made, the Directors shall convene a general meeting of the Company on 19 June 2024 for the purposes of proposing a resolution to wind up the Company voluntarily. The Company's only material financial obligations are in respect of the ZDP shares and the only material assets are its loan to the parent company.

Directors

The Directors who served in office during the year under review were as follows:

James Robinson (*Chairman*)
Lisa Arnold
Anthony Brampton
Neal Ransome

On 1 December 2019, Andrew Fleming and Jeremy Whitley were appointed as Non-executive Directors of the Company and the parent.

No Director had a service contract with the Company, nor are any such contracts proposed. Each Director was appointed pursuant to a letter of appointment entered into with the Group.

Apart from the exception noted below none of the Directors had a direct material beneficial interest in any contract to which the Company was a party and which is or was significant in relation to the Company's business during the year under review.

James Robinson and Anthony Brampton were serving non-executive Directors of PCGH on the date the Agreement and Undertaking were agreed and signed and declared their interest at that time. All of the current Directors are Directors of PCGH and therefore have an indirect non-beneficial interest in the Agreement and Undertaking entered into by the Company and PCGH. The Directors are also shareholders in PCGH and their interests in that company's shares are set out in the annual report of that company.

All Directors retired and stood for election at the first Annual General Meeting ('AGM') of the Company held in February 2018. In accordance with the Articles of Association each Director is required to retire and may offer themselves for re-election at every third AGM. Being the first AGM since their appointment, both Andrew Fleming and Jeremy Whitley will stand for election at the AGM to be held on 26 February 2020.

Directors' Share Interests

None of the Directors had an interest in the share capital of the Company at any time during the year, or between the year end and the date of this report.

Directors' Indemnity

Directors' and Officers' Liability insurance has been put in place. In addition, the Group provides, subject to the provisions of applicable UK legislation, an indemnity for Directors in respect of costs incurred in the defence of any proceedings brought against them and also liabilities owed to third parties, in either case arising out of their positions as Directors. This was in place throughout the financial year under review and up to and including the date of the Financial Statements.

Share Capital

The Company was incorporated with a share capital of 50,000 ordinary shares of nominal value £1.00 each; on 16 June 2017, following an initial placing, 32,128,437 Zero Dividend Preference ('ZDP') shares were issued for consideration of 100 pence each and a nominal value of 1 pence each. The ZDP shares were admitted to a standard listing on the London Stock Exchange on 19 June 2017.

The ZDP Shares have a limited life of seven years and, on that basis, a final capital entitlement of 122.99 pence per ZDP share on the ZDP Repayment Date, equivalent to a redemption yield of 3.0 per cent. per annum (compounded annually) on the initial ZDP placing price of 100 pence per share. The Redemption Yield of a ZDP Share is not, and should not be taken as, a forecast of profits. The final capital entitlement is not a guaranteed or a secured repayment amount and there can be no assurance that the final capital entitlement will be repaid in full on the ZDP Repayment Date (or at all).

The final capital entitlement will rank behind any liabilities of the Group and in priority to the capital entitlements of the Company's ordinary shares.

The ZDP shares carry no entitlement to income and the whole of their return accordingly takes the form of capital. The ZDP shareholders are not entitled to receive any part of the revenue profits (including any accumulated revenue reserves) of the Company on a winding-up, even if the accrued capital entitlement of the ZDP Shares will not be met in full.

The ZDP shares do not carry the right to vote at general meetings of the Company, although they carry the right to vote as a class on certain matters affecting their class in accordance with paragraph 1.5 of Part VI (The ZDP Shares and Principal Bases and Assumptions) of the Prospectus published on 12 May 2017. Further information on the rights attaching to the ZDP Shares are set out in Part VI of the Prospectus which is available on the parent company's website www.polarcapitalhealthcaretrust.com.

Substantial Share Interests

The Company's ordinary share capital is wholly owned by the parent company. The Company's ZDP share capital has limited voting capacity and as a result, ZDP shareholders are not required to disclose holdings to the Company or the market. The ZDP share capital is publicly traded on the London Stock Exchange.

Going Concern

The Board has considered the ability of the Company to adopt the going concern basis for the preparation of the Financial Statements and considered the financial position of the Company, its cash flows and its liquidity position. The Board has also considered in making its assessment any material uncertainties and events that might cast significant doubt upon the Company's ability to continue as a going concern. With regard to the information available and the assessment of the financial position of the Company the Board believes the going concern basis should be adopted for the preparation of the Financial Statements for the year ended 30 September 2019 and that the Company can continue in operational existence for at least the next 12 months.

The Company has a standard listing on the London Stock Exchange and is therefore not required to comply with the enhanced UK corporate governance requirement to provide a longer-term viability statement. The Company was incorporated with a limited life of seven years ending on 19 June 2024 on which date the ZDP Shares will be repaid and the Board will convene a general meeting to propose a resolution to voluntarily wind up the operations of the Company.

Statement on Corporate Governance and Internal Controls

As referred to above the Company's ZDP shares are subject to a standard listing and the Board is therefore not required to provide a statement of compliance with the principles of the UK Corporate Governance Code.

The Board has overall responsibility for the Company's internal controls. The Board aims to maintain full and effective control over appropriate strategic, financial, operational and compliance issues. There is no separate audit or other committee given the activities of the Company are limited.

It is the Company's policy to achieve the best terms available for all services provided to the Company from suppliers and there is therefore no single policy adopted when negotiating terms. The Company had no trade creditors at the year end.

Annual General Meeting

The third AGM of the Company will be held at the conclusion of the parent company AGM on 26 February 2020. A Notice of Meeting incorporated at the end of this Annual Report sets out in full the resolutions to be proposed at the meeting, the voting on which will be conducted by way of a poll. Resolutions shall be proposed to receive the Annual Report and Financial Statements, approve the Directors' Remuneration Policy, receive and approve the Directors' Remuneration Implementation Report, elect Andrew Fleming and Jeremy Whitley, re-appoint the auditors and authorise the Directors to set their fees. The Directors are also seeking renewal of the authorisation to make market purchases of the Company's ZDP shares.

Independent Auditors

Each of the Directors, at the date of approval of this report, confirms that:

- a) so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- b) the Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors. In accordance with s489 of the Companies Act 2006, a resolution proposing their reappointment will be proposed to the AGM.

Listing Rule 9.8.4

Listing Rule 9.8.4 requires the Company to include certain further information in relation to the Company which is not otherwise disclosed. The Directors confirm there are no additional disclosures to be made pursuant to this rule.

The financial statements on pages 15 to 18 were approved by the Board of Directors on 19 December 2019 and signed on its behalf by:

T A Lago, FCG
Polar Capital Secretarial Services Ltd
Company Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and 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 Financial Statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union. The 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 Company and of the profit or loss of the Company for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRSs as adopted by the European Union have been followed, 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 Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements and the Directors' Remuneration Implementation Report comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors consider that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

The financial statements were approved by the Board on 19 December 2019 and the responsibility statements were signed on its behalf by James Robinson, Chairman of the Board.

Approved by the Board of Directors and signed on its behalf by:

James Robinson
Chairman

DIRECTORS' REMUNERATION IMPLEMENTATION REPORT

The Board has prepared this report, in accordance with the requirements of Schedule 8 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (the 'Regulations'). An ordinary resolution for the approval of the Directors' Remuneration Policy will be proposed to shareholders at least every three years. The Remuneration Implementation Report shall be put to shareholders at the AGM annually.

The law requires the Group's Auditors, PricewaterhouseCoopers LLP, to audit certain disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditors' opinion is included in their report on page 11.

Report from the Company Chairman

As set out in the Directors' Report, the Company has a standard listing and is not required to report on its compliance with the provisions or application of the principles of the UK Corporate Governance Code. The parent company considers the Directors' remuneration for the Group as a whole and the Directors see no benefit in creating a separate Remuneration Committee. The Board, with Mr Robinson as Chairman, considers and approves Directors' remuneration, for services provided to the Company.

Directors' Remuneration Policy

In accordance with the Company's Articles of Association, the Directors' Remuneration Policy is that no fees, expenses or any other financial benefits are payable to the Directors in connection with their duties to the Company. Directors are also not eligible for bonuses, pension benefits, share options or long-term incentive schemes as the Board does not consider such arrangements or benefits necessary or appropriate.

The Directors receive fees relating to their duties to the parent company. This policy will continue for future years and is set out in full in the Directors' Remuneration Report of the parent company.

The Remuneration Policy was last approved by shareholders at the AGM in February 2018 for the period from incorporation to 30 September 2020. As stated above, a resolution to approve the Remuneration Policy will be put to shareholders at least once in every three-year period. Accordingly, a resolution to approve the Directors' Remuneration Policy will be put to shareholders at the AGM to be held on 26 February 2020 and if approved, the Remuneration Policy will remain in force for the period 1 October 2020 to 30 September 2023.

Directors' service contracts and terms

None of the Directors have a contract of service with the Company or the parent company, nor has there been any contract or arrangement between the Company and any Director at any time during the period. The terms of their appointment provide that a Director shall retire and be subject to re-election at the first AGM after their appointment, and at least every three years after that. A Director's appointment can be terminated in accordance with the Articles and without compensation.

Directors' interests and emoluments for the year (audited)

None of the Directors had interests in the ZDP shares at the year end of 30 September 2019 and no personal account transactions have been undertaken since the year end. The ordinary shares are wholly owned by the parent company. No fees are payable to the Directors regarding their duties to the Company.

The Directors' interests in the shares of the parent company are shown in the Annual Report of the parent company.

Company's performance

As a finance company which has lent all of its assets to the parent company the performance of the Company is therefore best reflected by looking at the performance of the parent company. The Directors' remuneration report within the Annual Report of the parent company contains a graph comparing the total return (assuming all dividends are reinvested) to the parent company ordinary shareholders, compared to the total shareholder return of the MSCI ACWI Healthcare Index. A copy of the parent company's Annual Report can be found on the following website www.polarcapitalhealthcaretrust.com and the National Storage Mechanism (NSM) at www.morningstar.co.uk/uk/nsm.

In accordance with the Regulations, the graph below compares the share price of ZDP shares with the MSCI ACWI Healthcare Index over the period since listing of the ZDP shares on 19 June 2017 to the end of the period on 30 September 2019. The MSCI ACWI Healthcare Index has been selected as it is considered to represent a broad equity market index against which the performance of the parent company's assets may be adequately assessed.



There has been no demonstration of relative importance of spend on pay for the Company as no remuneration is payable to Directors.

Approval

The Directors' Remuneration Report was approved by the Board on 19 December 2019.

On behalf of the Board of Directors

James Robinson
Chairman

Independent auditors' report to the members of PCGH ZDP PLC

Report on the audit of the financial statements

Opinion

In our opinion, PCGH ZDP PLC's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of its result and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 30 September 2019; the Statement of Comprehensive Income, the Cash Flow Statement, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee of Polar Capital Global Healthcare Trust plc.

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 Company 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 listed public interest entities, 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 to the Company.

We have provided no non-audit services to the Company in the period from 1 October 2018 to 30 September 2019.

Our audit approach

Overview



Overall materiality: £344,000 (2018: £334,000), based on 1% of total assets.

The Company is a subsidiary of Polar Capital Global Healthcare Trust plc.

- We conducted our audit of the financial statements using information from HSBC Securities Services (the "Administrator") to whom the Investment Manager has, with the consent of the Directors, delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.
- We obtained an understanding of the control environment in place at both the Manager and the Administrator, and adopted a fully substantive testing approach using reports obtained from the Administrator.

Accounting for the Zero Dividend Preference Shares.

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. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Chapter 17 of the Listing Rules, 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 preparation of 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 posting inappropriate journal entries to increase revenue or to increase total assets. Audit procedures performed by the engagement team included:

- Discussions with the Investment Manager and the Board of Directors, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Audit Committee of Polar Capital Global Healthcare Trust plc;
- Evaluation of the controls implemented by the Company and the Administrator designed to prevent and detect irregularities; and
- Identifying and testing journal entries, in particular year end journal entries posted by the administrator during the preparation of the financial statements and any journals with unusual account combinations.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.

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.

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p><i>Accounting for the Zero Dividend Preference Shares</i></p> <p>Refer to page 19 (Accounting Policies) and page 24 (Notes to the Financial Statements).</p> <p>The Zero Dividend Preference (ZDP) shares were issued on 19 June 2017 with a pre-determined capital growth of 3% compounding annually. The provision for the capital growth entitlement is accounted for as a finance cost. We focused on the appropriateness of the accounting policy for the ZDP shares and the loan due from the parent, and the presentation of these balances in the financial statements as set out in the requirements of accounting standards.</p>	<p>We performed testing to agree the loan balance to the loan agreement and payment schedule between the Company and Polar Capital Global Healthcare Trust plc. We also performed testing over the loan interest and contribution received from the parent Company and the appropriation to ZDP shares to test that they have been accounted for in accordance with this stated accounting policy.</p> <p>No material misstatements were identified by our testing.</p>

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 Company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

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:

Overall materiality	£344,000 (2018: £334,000).
How we determined it	1% of total assets.
Rationale for benchmark applied	We have applied this benchmark, which is deemed appropriate given the nature of the Company and the balances held.

We agreed with the Audit Committee of Polar Capital Global Healthcare Trust plc that we would report to them misstatements identified during our audit above £17,200 (2018: £16,700) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Company's activities and the wider economy.

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, Report of the Directors and Corporate Governance Statement, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 30 September 2019 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 Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors.

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 Financial Statements set out on page 8, 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 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 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.

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 received 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 financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were appointed by the Directors on 30 March 2017 to audit the financial statements for the year ended 30 September 2017 and subsequent financial periods. The period of total uninterrupted engagement is 3 years, covering the years ended 30 September 2017 to 30 September 2019.

Catrin Thomas (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
19 December 2019

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 September 2019

		Year ended 30 September 2019	Year ended 30 September 2018
	Notes	£	£
Loan interest	1	828,449	808,878
Contribution from parent	2	171,935	163,134
Total income		1,000,384	972,012
Total expenses	3	-	-
Profit before finance costs and tax		1,000,384	972,012
Finance costs			
Appropriation to ZDP shares	4	(1,000,384)	(972,012)
Total finance costs		(1,000,384)	(972,012)
Result before taxation		-	-
Taxation	5	-	-
Net result for the year and total comprehensive income		-	-

The amounts dealt with in the Statement of Comprehensive Income are all derived from continuing activities.

The notes on pages 19 to 25 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2019

Year ended 30 September 2019

	Called up share capital £	Capital reserve £	Total equity £
Total equity at 1 October 2018	50,000	-	50,000
Result and total comprehensive income for the year ended 30 September 2019	-	-	-
Total equity at 30 September 2019	50,000	-	50,000

Year ended 30 September 2018

	Called up share capital £	Capital reserve £	Total equity £
Total equity at 1 October 2017	50,000	-	50,000
Result and total comprehensive income for the year ended 30 September 2018	-	-	-
Total equity at 30 September 2018	50,000	-	50,000

The notes on pages 19 to 25 form part of these financial statements.

BALANCE SHEET

As at 30 September 2019

	Notes	30 September 2019 £	30 September 2018 £
Non-current assets			
Loan to parent company	6	34,372,824	33,372,440
Current assets			
Cash and cash equivalents		50,000	50,000
Total assets		34,422,824	33,422,440
Non-current liabilities			
Zero dividend preference shares	7	(34,372,824)	(33,372,440)
Total liabilities		(34,372,824)	(33,372,440)
Net assets		50,000	50,000
Equity attributable to equity shareholders			
Called up share capital	8	50,000	50,000
Capital reserve		-	-
Total equity		50,000	50,000

These financial statements of PCGH ZDP plc were approved by the Board of Directors and authorised for issue on 19 December 2019. They were signed on behalf of the Board by:

James Robinson,
Chairman

The notes on pages 19 to 25 form part of these financial statements

CASH FLOW STATEMENT

For the year ended 30 September 2019

	Year ended 30 September 2019 £	Year ended 30 September 2018 £
Cash flows from operating activities		
Profit before finance costs and taxation	1,000,384	972,012
Net cash inflow from operating activities	1,000,384	972,012
Cash flows from financing activities		
Increase in payables	(1,000,384)	(972,012)
Net cash outflow from financing activities	(1,000,384)	(972,012)
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the year	50,000	50,000
Cash and cash equivalents at the end of the year	50,000	50,000

The notes on pages 19 to 25 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS - POLICIES

A. General Information

In line with the Company's parent, the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), which comprise standards and interpretations approved by the International Accounting Standards Board (IASB) and International Accounting Standards Committee (IASC), as adopted by the European Union, and with those parts of the Companies Act 2006 applicable to companies under IFRS.

The Company's presentational and functional currency is pounds sterling as this is the currency of the primary economic environment in which the Company operates.

The Directors believe it is appropriate to adopt the going concern basis. In order to be able to continue as a going concern, the Company relies on the parent company to pay the operational costs and the repayment of the loan when it falls due. Based on the assessment carried out against the parent company, the parent company has adequate financial resources to meet its liabilities as and when they fall due.

B. Accounting Policies

The principal accounting policies which have been applied consistently throughout the year are set out below:

a) Income

(i) Loan Interest

Under a Loan Agreement the gross initial ZDP Placing proceeds have been lent to the parent, Polar Capital Global Healthcare Trust plc. The Loan Agreement provides that interest will accrue daily at an annual rate of 2.5% compounded annually on each anniversary of ZDP Admission and will be rolled up and paid to PCGH ZDP plc along with any repayment of the principal amount on a date falling 2 business days before the ZDP Repayment Date.

(ii) Transfer re Parent Undertaking

Polar Capital Global Healthcare Trust plc and the Company, PCGH ZDP plc, have entered into an Undertaking whereby to the extent that the Final Capital Entitlement multiplied by the number of outstanding ZDP shares as at the ZDP Repayment Date exceeds the aggregate principal amount and accrued interest due pursuant to the Loan Agreement as at that date (the Additional Funding Requirement), the parent shall: (i) subscribe for additional subsidiary shares to a value equal to or greater than the Additional Funding Requirement; and (ii) make a capital contribution or gift or otherwise pay an amount equal to or greater than the Additional Funding Requirement.

b) Finance costs

The ZDP shares are designed to provide a pre-determined capital growth from their original issue price of 100p on 19 June 2017 to a Final Capital Entitlement of 122.99p on 20 June 2024. The initial capital of 100p at 19 June 2017 will increase at an interest rate of 3% compounding annually (see note 2). The provision for the capital growth entitlement on the ZDP shares is included as a finance cost. No dividends are payable on the ZDP shares.

c) Taxation

Taxation is currently payable based on the taxable profits for the year ended 30 September 2019. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that

Accounting Policies (continued)

c) Taxation (continued)

are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts 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 liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax rates that have been enacted or substantively enacted at the balance sheet date.

d) Investments held at Fair Value through Profit or Loss

The Company holds no investments, rather the proceeds from the issue of the ZDP shares have been lent to the parent, Polar Capital Global Healthcare Trust plc, for investment purposes.

e) Loan to the Parent Company

On 19 June 2017, the Company provided an interest-bearing loan to its parent company, Polar Capital Global Healthcare Trust plc. The loan is carried at amortised cost, which represents the initial cost of the loan plus accrued interest and any contribution due from the parent to meet the total ZDP entitlement.

f) Impairment

IFRS 9 requires the Company to record expected credit losses on all financial assets measured at amortised cost, either on a 12-month or lifetime basis. At each reporting date, the Company reviews the carrying amounts of financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an asset, the Company estimates the recoverable amount to which the asset belongs. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Comprehensive Income. Recognised impairment losses are reversed if the reasons for the impairment loss have ceased to apply.

g) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash.

h) New and revised accounting standards

No new IFRS, or amendments to IFRS, became applicable in the year which had any significant impact on the Company's financial statements.

The following standards became effective for annual reporting periods beginning on or after 1 January 2018, the adoption of the standards and interpretations have not had a material impact on the financial statements of the Company.

Accounting Policies (continued)

IFRS 9 Financial Instruments

IFRS 9 specifies how a company should classify and measure financial assets and financial liabilities. It introduces new impairment requirements which result in earlier recognition of impairment losses on financial assets, contract assets and lease receivables.

The requirements of IFRS 9 and its application to the assets and liabilities held by the Company were considered ahead of its adoption. Upon adoption of IFRS 9, all assets and liabilities held by the Company will continue to be classified and accounted for at amortised cost. The measurement approach of all assets and liabilities remains unchanged under IFRS 9 other than the impact of expected credit loss on financial assets held at amortised cost.

The adoption of IFRS 9 will result in re-evaluation of the impairment model for financial assets to align to the requirements of IFRS 9 and the need to measure impairment based on expected rather than incurred losses. This will require the estimation of an expected credit loss on those financial instruments. Where financial assets have not had a significant increase in credit risk since origination the expected credit loss is based on the expected loss in the next 12 months. The measurement of financial liabilities remains unchanged under IFRS 9.

The Company carried out an assessment against the requirements of IFRS 9 to assess the possibility of the parent defaulting on its liability to the Company and if there were any expected credit losses to be recognised in the financial statements. The Company carried out the assessment which included the performance of the parent since initial recognition of the loan, the liquidity profile of the parent as at the reporting date, and the cash flow forecast of the parent for the remaining life of the loan. The expected credit loss was calculated based on the difference between all the contractual cash flows due to the parent and the cash flows that it actually expects to receive, and the difference was discounted at the original effective interest rate. Based on the results of the assessment the Directors believe that there has not been a significant increase in credit risk since initial recognition and believe that the impact of any expected credit loss provision on the financial assets would be immaterial.

- IFRS 15, Revenue with Contracts with Customers.
- IFRS 2 (amended) Classification and Measurement of Share-based payment transactions.
- IFRIC 22 Foreign currency transactions and advance consideration.
- Annual Improvement Cycles 2015-2017.

At the date of authorisation of these financial statements, the following new IFRS that potentially impact the Company are in issue but are not yet effective and have not been applied in these accounts:

Effective for periods commencing on or after 1 January 2019:

IFRS 16 Leases

As the Company neither holds, trades nor has any lease obligations of any type, the provisions of this standard are not expected to have a material impact on the accounts.

IFRIC 23 Uncertainty over Income Tax Treatments

The interpretation provides guidance on considering uncertain tax treatments in relation to taxable profit or loss and does not add any new disclosures. The Company complies with all relevant tax laws where applicable and the provisions of this interpretation are not expected to have a material impact on the accounts.

Accounting Policies (continued)

IAS 19 (amended) Employee Benefits

As the Company has no employees, the amendment to this standard is not expected to have any impact on the accounts.

IAS 28 (amended) Investments in Associates and Joint Ventures

As the Company has no investment in associates or joint ventures, the amendment to this standard is not expected to have any impact on the accounts.

h) New and revised accounting standards (continued)

IFRS9 (Amended) Prepayment Features with Negative Compensation

Negative compensation arises where the contractual terms permit a borrower to prepay the instrument before its contractual maturity, but the prepayment amount could be less than unpaid amounts of principal and interest. The Company has no such terms in any of its loan agreements in place and the amendment is not expected to have any impact on the accounts.

Annual Improvement Cycles 2015-2017 (Amendments)

This makes narrow-scope amendments to four IFRS Standards: IFRS 3 Business Combinations, IFRS 11 Joint Arrangements, IAS 12 Income Taxes and IAS23 Borrowing costs. These limited amendments are not expected to have any impact on the accounts.

Effective for periods commencing on or after 1 January 2020:

- IFRS 3 Business combinations (amended)
- IAS 1 and IAS 8 Definition of Material (amended)
- References to the conceptual Framework in IFRS Standards (amended).

The Directors expect that the adoption of the standards listed above will have either no impact or that any impact will not be material on the Financial Statements of the Company in future periods.

i) Segmental Reporting

Under IFRS 8, 'Operating Segments', operating segments are considered to be the components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The chief operating decision maker has been identified as the Investment Manager (with oversight from the Board). The Directors are of the opinion that the Company has only one operating segment and as such no distinct segmental reporting is required.

j) Key Estimates and Judgements

Estimates and assumptions used in preparing the financial statements are reviewed on an ongoing basis and are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The results of these estimates and assumptions form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The Company does not consider that there have been any significant estimates or assumptions in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS - NOTES

1. Loan Interest

Under a Loan Agreement the gross initial ZDP Placing proceeds have been lent to the Parent. The Loan Agreement provides that interest will accrue daily at an annual rate of 2.5% compounded annually.

2. Contribution from parent

The contribution represents the additional funding required from the parent to meet the entitlement due to the ZDP shareholders at the year end. The contribution from the parent as at 30 September 2019 was £171,935 (2018: £163,134).

3. Total expenses

The Directors receive no remuneration in respect of their services to the Company. Auditors' fees for audit services are paid by the Company's parent, Polar Capital Global Healthcare Trust plc and amounted to £5,175 (2018: £4,600).

4. Finance costs

The ZDP shares are designed to provide a pre-determined capital growth from their original issue price of 100p on 19 June 2017 to a final capital entitlement of 122.99p on 20 June 2024. The initial capital of 100p at 19 June 2017 will increase at a growth rate of 3% compounding annually. The provision for the capital growth entitlement for the period on the ZDP shares is included as a finance cost.

5. Taxation

a) Analysis of tax charge for the year

The corporation tax for the year ended 30 September 2019 was £nil (2018: £nil).

b) Factors affecting tax charge for the year

The charge for the year can be reconciled to the result per the Statement of Comprehensive Income. The result before taxation as at 30 September 2019 was £nil (2018: £nil).

6. Loan to parent company

	30 September 2019	30 September 2018
	£	£
Opening balance	33,372,440	32,400,428
Loan interest accrued	828,449	808,878
Additional contribution to meet ZDP entitlement	171,935	163,134
Closing balance	34,372,824	33,372,440

The carrying value of receivables approximates to its fair value.

PCGH ZDP plc has an outstanding inter-group loan with the parent, Polar Capital Global Healthcare Trust plc. The Company carried out an analysis which considers both historical and forward- looking qualitative and quantitative information to determine if the inter-group loan is low credit risk as at 30 September 2019. The results of the analysis demonstrated that the risk of default or impairment was very low and that there has not been a significant increase (if any) in credit risk since the loan was first recognised. There is not expected to be material adverse changes in the economic and investment conditions during the period which would reduce the ability of Polar Capital Global Healthcare Trust plc to repay the loan due on 19 June 2024.

Accounting Notes (continued)

7. Zero dividend preference shares

	30 September 2019	30 September 2018
	£	£
Opening balance	33,372,440	32,400,428
Capital growth entitlement of ZDP shares	1,000,384	972,012
Closing balance	34,372,824	33,372,440

8. Called up share capital

	30 September 2019	30 September 2018
	£	£
Allotted, called up and fully paid: 50,000 (2018: 50,000) Ordinary shares of £1 each:	50,000	50,000
At 30 September	50,000	50,000

9. Parent undertaking and controlling party

At 30 September 2019 the Company was a wholly owned subsidiary undertaking of Polar Capital Global Healthcare Trust plc, a Company registered in England and Wales, number 07251471. Copies of the ultimate parent undertaking's consolidated financial statements may be obtained from the Company Secretary, Polar Capital Secretarial Services Ltd, 16 Palace Street, London SW1E 5JD.

10. Financial instruments - Risk management policies and procedures for the Company

The Company's exposure to financial instruments can comprise cash, liquid resources and long-term receivables and payables that arise directly from the Company's operations.

The main risks arising from financial instruments are liquidity risk, credit risk and market risk. The risks have remained unchanged since the beginning of the period to which these financial statements relate and are summarised below:

(a) Liquidity risk

The Company's assets comprise cash and long-term receivables which it is expected will be collectable to meet ZDP funding requirements.

(b) Credit risk

This is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. As at the year ended 30 September 2019, the Company's financial assets which are exposed to credit risk is the loan to the parent company, Polar Capital Global Healthcare Trust plc and it amounted £34,372,824 (2018: £33,372,440). The loan to the parent company has low credit risk as the parent has a strong capacity to meet its contractual cash flow obligations as they fall due.

The Company does not consider this risk to be significant as it has limited exposure to non-group third parties in respect of amounts receivable. Cash balances are only deposited with financial institutions with a high credit rating. The Company assesses all external counterparties for the credit risk before contracting with them.

Accounting Notes (continued)

(c) Market risk

The Company has no direct exposure to market risk as it does not hold or trade any direct investment positions. Any indirect market risks through the parent company are actively monitored throughout the year as part of the parent company's risk management policies and procedures.

11. Related party

On 19 June 2017, the Company provided an interest-bearing loan to its parent company, Polar Capital Global Healthcare Trust plc. The loan is carried at amortised cost, which represents the initial cost of the loan plus accrued interest and any contribution due from the parent to meet the total ZDP entitlement. At the year end, £34,372,824 was due from the parent company in respect of the loan.

NOTICE OF ANNUAL GENERAL MEETING of PCGH ZDP plc (the ‘Company’)

NOTICE IS HEREBY GIVEN that the ANNUAL GENERAL MEETING of the Company will be held following the conclusion of the Annual General Meeting of the parent company Polar Capital Global Healthcare Trust plc, on Wednesday, 26 February 2020 at the offices of Polar Capital LLP, 16 Palace Street, London SW1E 5JD, for the transaction of the business as detailed below.

To consider and if thought fit to pass the following Resolutions of which resolutions 1-7 will be proposed as Ordinary Resolutions and resolutions 8 and 9 will be proposed as Special Resolutions:

Ordinary Resolutions

1. To receive the Annual Report and Financial Statements for the year ended 30 September 2019.
2. To approve the Directors’ Remuneration Policy as contained in the Report on Directors’ Remuneration Implementation Report, such approval to begin from the expiry of the current Policy on 30 September 2020 and last until 30 September 2023, unless the approval is renewed prior to such time.
3. To receive and approve the Directors’ Remuneration Implementation Report for the year ended 30 September 2019.
4. To elect Andrew Fleming as a Director of the Company.
5. To elect Jeremy Whitley as a Director of the Company.
6. To re-appoint PricewaterhouseCoopers LLP as Auditors to the Company to hold office until the conclusion of the next Annual General Meeting of the Company.
7. To authorise the Directors to determine the remuneration of the Auditors.

Special Resolutions

8. THAT the Company be and is hereby generally and unconditionally authorised pursuant to Section 701 of the Companies Act 2006 (the “Act”) to make market purchases (within the meaning of Section 693 of the Act) of zero dividend preference (ZDP) shares of 1 pence each in the capital of the Company, on such terms and in such manner as the Directors may from time to time determine **PROVIDED THAT:**
 - (a) the maximum number of ZDP shares hereby authorised to be purchased shall be 4,816,052; or such number representing approximately 14.99% of the issued share capital at 26 February 2020;
 - (b) the minimum price excluding expenses which may be paid for an ZDP share is 1 pence;
 - (c) the maximum price excluding expenses payable by the Company for each ZDP share is the higher of:
 - (i) 105 per cent. of the average of the middle-market quotations of the ZDP shares for the five business days prior to the date of the market purchase; and
 - (ii) the price of the last independent trade and the highest current independent bid for a ZDP share on the trading venues where the market purchases by the Company pursuant to the authority conferred by this Resolution 8 will be carried out.

- (d) the authority hereby conferred shall expire at the conclusion of the next AGM of the Company, unless such authority is renewed prior to such time;
 - (e) the Company may make a contract to purchase ZDP shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract; and
 - (f) any ZDP shares so purchased shall be cancelled immediately upon completion of the purchase.
9. THAT a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

BY ORDER OF THE BOARD

T A Lago, FCG
Polar Capital Secretarial Services Limited
Company Secretary

19 December 2019
Registered office: 16 Palace Street, London SW1E 5JD

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING of PCGH ZDP plc

1. *The holders of the Ordinary shares have the right to receive notice, attend, speak and vote at the Annual General Meeting. Holders of ZDP shares have the right to receive notice of general meetings of the Company but do not have any right to attend, speak or vote at any general meeting of the Company unless the business of the meeting includes any resolution to vary, modify or abrogate any of the special rights attached to ZDP shares.*
2. *A member entitled to attend, vote and speak at this meeting may appoint one or more persons as his/her proxy to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. If multiple proxies are appointed, they must not be appointed in respect of the same shares. To be effective, the enclosed form of proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, should be lodged at the office of the Company Secretary, 16 Palace Street, London SW1E 5JD not later than 48 hours before the time of the meeting. The appointment of a proxy will not prevent a member from attending the meeting and voting and speaking in person if he/she so wishes. A member present in person or by proxy shall have one vote on a show of hands and on a poll, shall have one vote for every Ordinary share of which he/she is the holder.*
3. *A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in Note 2 above do not apply to a Nominated Person. The rights described in that Note can only be exercised by registered members of the Company.*
4. *As at 19 December 2019 (being the last business day prior to the publication of this notice) the Company's issued voting share capital and total voting rights amounted to 50,000 Ordinary shares of 100 pence each. In addition, there are 32,128,437 ZDP shares of 1 pence each nominal value in issue with no voting rights attached.*

5. *The Company specifies that only those Ordinary shareholders registered on the Register of Members of the Company as at 2.00pm on 24 February 2020 (or in the event that the meeting is adjourned, only those shareholders registered on the Register of Member of the Company as at 11.30am on the day which is 48 hours prior to the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the Annual General Meeting in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.*
6. *Any question relevant to the business of the Annual General Meeting may be asked at the meeting by anyone permitted to speak at the meeting. You may alternatively submit your question in advance by letter addressed to the Company Secretary at the registered office.*
7. *In accordance with Section 319A of the Companies Act 2006, the Company must cause any question relating to the business being dealt with at the meeting put by a member attending the meeting to be answered. No such answer need be given if:*
 - a. *to do so would:*
 - i. *Interfere unduly with the preparation for the meeting, or*
 - ii. *Involve the disclosure of confidential information;*
 - b. *the answer has already been given on a website in the form of an answer to a question; or*
 - c. *it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.*
8. *Shareholders should note that it is possible that, pursuant to requests made by shareholders of the Company under section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.*
9. *A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company (provided, in the case of multiple corporate representatives of the same corporate shareholder, they are appointed in respect of different shares owned by the corporate shareholder or, if they are appointed in respect of those same shares, they vote those shares in the same way). To be able to attend and vote at the meeting, corporate representatives will be required to produce prior to their entry to the meeting evidence satisfactory to the Company of their appointment. Corporate shareholders can also appoint one or more proxies in accordance with Note 2. On a vote on a resolution on a show of hands, each authorised person has the same voting rights to which the corporation would be entitled. On a vote on a resolution on a poll, if more than one authorised person purports to exercise a power in respect of the same shares:*
 - a. *if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way;*
 - b. *if they do not purport to exercise the power in the same way as each other, the power is treated as not exercised.*
10. *Members satisfying the thresholds in Section 338 of the Companies Act 2006 may require the Company to give, to members of the Company entitled to receive notice of the Annual General Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Annual General Meeting. A resolution may properly be moved at the Annual General Meeting unless (i) it would,*

if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (ii) it is defamatory of any person; or (iii) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the Annual General Meeting.

11. *Members satisfying the thresholds in Section 338A of the Companies Act 2006 may request the Company to include in the business to be dealt with at the Annual General Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Annual General Meeting. A matter may properly be included in the business at the Annual General Meeting unless (i) it is defamatory of any person or (ii) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the Annual General Meeting.*