POLARIS
GLOBAL VALUE UCITS FUND

An umbrella fund with segregated liability between sub-funds

Registration number C142346

PERFORMANCE COMMENTARY – FOURTH QUARTER 2022

Global equity markets rallied in the fourth quarter of 2022, despite continued COVID-19 headwinds, a weakening European economy, and higher inflation dampening consumer spending. China lifted its stringent zero-COVID policy in early December, which was expected to alleviate supply chain bottlenecks and boost overall global demand. However, the opposite proved true, as outbreaks in major cities interrupted factory activity.

The economic fallout from the ongoing Russian-Ukraine war increased throughout Europe. Russia supplied nearly 50% of energy sources in Europe; sanctions resulted in tightening supplies of oil, natural gas and other commodities throughout the continent. Thankfully, energy prices in Europe fell significantly due to warmer seasonal weather, energy savings, weaker economic activity and energy pre-buying, resulting in a comfortable storage position heading into the winter. However, so long as the conflict rages on, the speed and magnitude of the European slowdown remains in question.

Markets were generally undeterred by negative geopolitical actions, hinging optimism on robust company earnings and signals from the U.S. Federal Reserve. Companies reported reduced volumes, but continued pricing power. Higher prices may persist, as inflationary pressures are unlikely to abate anytime soon even after the U.S. Federal Reserve cited moderating inflation data.

With competing macro trends at play, global equities had strong gains with the MSCI World and ACWI Indices up 9.89% and 9.88% respectively for the quarter; the institutional share class of the Polaris Global Value UCITS Fund ("the Fund") outperformed for the period, up 16.60% at net asset value. Foreign exchange impact was a contributing factor to the Fund's performance, as most currencies appreciated against the U.S. dollar.

The Fund had double-digit gains from the consumer discretionary, health care, industrials, materials, communication services and energy sectors. As the Fund's largest weighting, financials also posted double-digit results for the quarter but lagged the sector benchmark. While no sectors were in absolute negative territory, defensives such as consumer staples, real estate and utilities had more modest returns. Geographically, performance was attributable to holdings in the U.S., as well as the U.K., France, Norway, Canada, Switzerland and Singapore. Off-benchmark single stock holdings in China, Chile and Colombia added measurably. Detractors were mainly relegated to single stock holdings in Puerto Rico and Italy.

Most of the top 10 overall contributors hailed from the U.S., led by shoe manufacturer Crocs, Inc.; two pharmaceutical companies, United Therapeutics and Gilead Sciences; financial institution, JPMorgan Chase; and NOV Inc., the upstream energy equipment supplier primed for renewed oil production. Rounding out the rest of the top 10 were French advertiser, Publicis Groupe; two Germany reinsurers, Munich Re and Hannover Re; and two Asian industrials including China's Weichai Power Co. and Japan's Marubeni Corp. Among the small handful of decliners were Kia Corp., M&T Bank, Popular Inc, Greencore Group, flatexDEGIRO and Tyson Foods.

FOURTH QUARTER 2022 PERFORMANCE ANALYSIS

Portfolio holdings in the consumer discretionary sector performed well this quarter, as prior depressed valuations proved too attractive to ignore. Investors were quick to snap up shoe and sportswear retailers on the back of Nike's upbeat guidance, referencing better inventory controls. Crocs Inc. was one such beneficiary, as the stock had massive gains for the quarter. Concerns about post-pandemic sales and higher shipping costs weighed on Crocs' stock price in recent months, yet the company's most recent earnings report outlined robust revenues, operating margins and market share wins. The international Crocs brands noted booming sales, while the Hey Dude acquisition may help drive the next leg of growth.

In the U.K., apparel retailer Next PLC issued a reassuring trading statement with upbeat full-year earnings. A number of tailwinds boosted results: 1) inflation declined in November, helping consumer sentiment; 2) the British Pound strengthened against the U.S. dollar, offering more buying power for Next which purchases raw materials in USD; and 3) positive investor sentiment returned to the consumer discretionary sector. Inchcape, the

U.K.-based global automotive distributor, reported strong organic growth across distribution and retail divisions, subsequently meeting profit guidance for 2022. The company's acquisition of Latin America auto distributor, Derco, progressed well, with completion slated for early 2023. Inchcape's geographic expansion included electric vehicle OEM partnerships with ORA in Hong Kong and BYD in Belgium and Luxembourg.

Health care holdings were among the top contributors, as pharmaceutical companies cited robust drug pipelines feeding organic growth. United Therapeutics reached new highs after reporting excellent third quarter results, beating earnings expectations on the back of Tyvaso, their pulmonary arterial hypertension drug. The recent launch of Tyvaso DPI, delivered through an inhaler, was well received. Gilead, the diversified biopharmaceutical company, reported robust results headlined by advances in its flagship HIV/AIDS medication, oncological cell therapies and governmental approvals of its lymphoma drugs. Generics competition hamstrung Jazz Pharmaceuticals' stock price earlier in the year; the concern was for naught, as Jazz's low-sodium formulation of narcolepsy drug, Oxybate, easily outpaced the high-sodium generic alternative. The Irish pharma also started Phase III trials for its new epilepsy/atonic seizures medication.

The majority of industrial holdings posted double-digit returns for the quarter, led by Weichai Power Co., Marubeni Corp., Allison Transmission Holdings, Science Applications International and VINCI SA. Chinese diesel engine manufacturer Weichai had lackluster third quarter 2022 earnings, after one of its subsidiaries issued a profit warning. However, the stock rallied on heavy duty trucks orders, which are expected to start rolling in as China retracts its strict COVID-19 measures. High commodity prices and a weaker Yen helped Marubeni, the Japanese international trading house. The company reported solid earnings across its agriculture, energy, food and metals businesses, subsequently increasing dividends and share buybacks. A further boost: In November, Warren Buffett's Berkshire Hathaway raised its stakes in each of Japan's five biggest trading houses.

Allison Transmission, the largest manufacturer of medium- and heavy-duty fully automatic transmissions for commercial and defense vehicles, reported robust revenues and earnings driven by resilient customer demand and record net sales outside North America. French company VINCI SA, which runs roads and airport concessions, upgraded guidance, backed by double-digit sales growth for the first nine months of 2022; 50% growth in international businesses; solid operating performance across all divisions; and robust order books.

Yara International, the Norwegian fertilizer manufacturer, topped materials sector gains. Amid supply disruptions and gas price volatility, Yara started optimizing operations, leveraging strategic European plant locations near shipping ports. Strong margins across all commercial segments more than offset lower deliveries. Chilean copper miner Antofagasta gained on higher copper prices, Chinese market demand, and a better political environment in Chile. In September 2022, the new Chilean president's constitutional referendum failed, which may prompt a more balanced agreement (with lower royalties and taxes) between the mining industry and local government.

Two French communication services stocks were standouts during the quarter. Advertising and public relations company, Publicis Groupe, announced the third consecutive quarter of double-digit organic growth, which was even higher than pre-pandemic organic growth rates. The company reported continued momentum in account wins (Sapient and Epsilon) and upgraded their 2022 guidance for the second time. Publicis also entered into a joint venture with Carrefour Group, one of the world's largest grocery and convenience stores retailers. The collaboration is intended to reach the booming retail media market in Continental Europe and Latin America. Post pandemic reopening sped up demand for Ipsos Group's brand and market research business; the company pointed to continued organic growth and a healthy order book as it raised profit guidance for 2023, while expanding its footprint in the Americas and Asia.

Detractors were few and far between this quarter, among which were Kia Corp., Greencore Group, Sally Beauty Holdings, Tyson Foods and select financials. South Korean auto maker, Kia, had slack quarterly results on the back of higher costs and extra provisions for engine recalls. Headwinds included the U.S. Inflation Reduction Act and how EV subsidies will impact the broader auto market, as well as weaking demand metrics (and the congruent rising incentive programs to prop up sales) heading into 2023.

For fiscal year 2022, Greencore showed progressive annual improvements in revenue, operating profit and deleveraging, supported by volume growth via new business wins. Yet management struck a cautious tone about 2023 U.K. cost-of-living conditions, questioning consumer spending power. In late September 2022, Greencore's new CEO outlined a strategy focused on profitability, rather than revenue growth, with associated facility shutdowns and potential layoffs. The market took a wait-and-see approach to this development.

In the U.S., hair care product retailer, Sally Beauty Holdings, lagged as quarterly same store sales were flat, with the company blaming inflationary pressures and supply chain headwinds. Sally Beauty plans to close about 10% of its brick-and-mortar locations as it continues to shift to the omni-channel retail model. Tyson Foods stated that declining demand for pork and beef contributed to lower-than-expected quarterly earnings. Higher grain feed prices, due to Midwest droughts and costly fertilizer, squeezed beef margins. Chicken demand was robust, but the bird flu resulted in decreased volumes. Notwithstanding these one-off environmental impacts, Tyson has strong prospects for its protein and prepared food segments going into 2023.

Of the few underperforming financials, M&T Bank reported lower net interest and fee income, while loan loss provisions increased. Guidance was dour for 2023, as the bank grapples with an abundance of transactional activity from deposit accounts to high-yield savings. Puerto Rican bank, Popular Inc., declined on lower net interest income and net interest margins due to the rapid repricing of government deposits. However, the bank discussed on their earnings call that their deposit betas are fairly low relative to mainland banks. flatexDEGIRO AG, a German online discount brokerage firm, dropped even though earnings were resilient. The company highlighted customer growth, interest rate tailwinds and solid year-over-year revenue gains, but cut its fiscal year revenue forecast, anticipating fewer retail investor trades in a down market. Additionally, German regulator BaFin insisted that flatexDEGIRO increase its capital base and install new regulatory and audit requirements.

During the quarter, 10 portfolio companies were sold, most of which were exited on deteriorating fundamentals or less favorable market trends. Chemical companies, BASF and Solvay, as well as HeidelbergCement were sold on weakening competitiveness due to elevated European energy prices. FedEx Corp. was sold on weakening GDP growth, which may hamper turnaround efforts. Warner Bros Discovery faced a streaming market that became increasingly competitive. Asahi Group Holdings, the Japanese beverage company, was sold as volumes fell (indicative of a downward trend in beer sales in Japan) and import prices rose. The Fund sold out of Babcock International Group, the British aerospace, defense and nuclear engineering services company. Another sale was U.S. theater chain, Cinemark Holdings, which noted fewer blockbusters slated to hit the big screen in favor of streaming platforms. Two IT companies were also exited: Catcher Technology, the Taiwanese electronics casing manufacturer, faced weakening demand for consumer electronics; and Brother Industries, the Japanese print manufacturer, ran into supply chain challenges and slower retail/home ink sales as professionals transitioned back to commercial offices.

New purchases included Koninklijke Ahold Delhaize, a global leader of supermarket brands in the U.S. (Stop & Shop, Food Lion, Hannaford, Giant to name a few), Belgium and the Netherlands. The company has industry-leading margins and an excellent capital allocation policy.

Horizon Therapeutics proved attractive, with its flagship thyroid and gout drugs. Tepezza, which targets thyroid eye disease, is already a multi-billion-dollar drug with an IP patent through 2033 and Krystexxa (for gout) has the potential to be equally successful. We deemed Horizon stock as undervalued, with little consideration for its robust drug pipeline. So too did Amgen, who sought to acquire the company a few weeks after Polaris invested. The deal is valued at $27.8 billion, which represents a 48% premium to Horizon's stock price closing on November 29, 2022.

Other new additions to the portfolio included Interpublic Group, which offers world-class advertising and marketing services with a focus on organic growth. The company had been on Polaris screens but was historically too expensive under Polaris' value discipline. When the stock dropped 20%, Interpublic presented a good entry point. Another purchase was MKS Instruments, the U.S. semiconductor equipment manufacturer dominant in material and photonic solutions. U.S. trust/custodian bank, Northern Trust, had also been on Polaris' radar, but remained out of reach on valuation. When the stock price dropped on underwhelming third-quarter 2022 earnings, Polaris took the opportunity to buy into this bank, which has a sizeable wealth and investment management business.

2022 YEAR IN REVIEW

For the year ending 2022, the institutional share class of the Polaris Global Value UCITS Fund returned -11.84% at net asset value, outperforming the MSCI World and ACWI Indices, which returned -17.73% and -17.96% respectively. Outperformance was mostly attributable to strong portfolio gains in the fourth quarter. Health care and energy sectors had double-digit gains for the year, while the largest detractors in absolute terms were consumer discretionary, materials and IT. From a country perspective, the Polaris Global Value UCITS Fund had notable contributions from Switzerland, Singapore and the Netherlands, as well as off-benchmark gains in Chile, Taiwan and Colombia. Detractors included the U.K., South Korea and Canada.

During the year, we purchased more than a dozen new companies, and sold a near-equal number of holdings, some of which were long-term performers that, in our view, became overvalued. Others were sold on deteriorating fundamentals or evolving industry trends. The new additions to the portfolio included stocks from traditionally-defensive sectors such as health care (Horizon Therapeutics, Gilead Sciences) and consumer staples (Ahold Delhaize, Nomad Foods) as well as select cyclicals likely to capitalize on a resurgent growth economy. We believe balanced portfolio positioning allows us to weather current market volatility, limit downside risk and prep for growth in an eventual recovery.

INVESTMENT ENVIRONMENT AND STRATEGY

Macroeconomics spur on inflation concerns for the coming quarters. China abandoned its zero-COVID policies, but failed to add medical infrastructure for the resurgence of COVID cases. As a result, many factories and shipping facilities are understaffed, and supply chain bottlenecks continue. The supply-demand constraints remain ever present. The same basic premise holds true for Europe, which has limited oil, natural gas and food commodity supplies as a result of the escalating Russian-Ukraine war.

On this backdrop, we are hard pressed to believe economic pundits calling for the end of interest rate hikes. There are a number of price indicators implying inflation pressures peaked in October 2022, but that simply means the torrid pace of inflation is moderating. For the foreseeable future, we expect central banks worldwide will raise interest rates to temper inflation – albeit at more metered increments. Regardless of the pace of hikes, the end result is the same: the cost of capital goes higher and liquidity is drained out of the system.

This scenario has not been fully realized, as markets have been buffeted by abundant stimulus cash in individuals' bank accounts and on company balance sheets. However, savings are slowly being drawn down and companies are facing higher costs and lower volumes as consumer spending slows. Many Fortune 500 companies have already felt the squeeze on profit margins. As economic growth stagnates, we expect other pricey high-growth stocks to suffer.

At Polaris, we maintain our strict value commitment, steering clear of the richly-valued stocks and tech high-flyers prone to steep declines in this environment. Our research screens continue to find attractively-priced, fundamentally sound companies intended to diversify the Fund portfolio, enhance the valuation profile and minimize downside risk. This is a backstop for slowing economic growth, although we do not think a major recession is probable unless further non-systemic events occur. We are also weighted toward cyclical, cash-generative companies, whose earnings growth should lead to higher valuations in an eventual recovery. We expect that such dual-pronged efforts will lead to continued outperformance, as was the case in the fourth quarter.

This is a marketing communication.

IMPORTANT INFORMATION

The information presented is supplemental. It should not be considered as a recommendation to purchase or sell a particular security mentioned, may change at any time and may not represent current or future investments. References to individual securities throughout this document are intended to illustrate contributors to recent performance or market trends and to provide examples of thematic or security-specific catalysts identified by the investment team as part of its investment process. References to specific securities should not be viewed as representative of an entire portfolio, nor should the performance of any particular security be viewed as representative of the performance experienced by any other security or portfolio. The MSCI World Index, gross dividends reinvested, measures the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI ACWI Index, gross dividends reinvested, captures large- and mid-cap representation across 23 developed markets and 24 emerging markets countries. One cannot invest directly in an index.

RISKS

Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the ICAV carries with it a degree of risk. There can be no assurance that a Fund will achieve its investment objective and there is potential for an investor to lose some or all of its investment in a Fund. Different risks may apply to different Funds and/or classes. Prospective investors should review the Prospectus carefully in its entirety and consult with their professional advisors before making an application for Shares.

The Fund is subject to the following risks, without limitation:

Equity Security Risk: the value of a company's equity securities is subject to changes in the company's financial condition and overall market and economic conditions.
FDI and Leverage Risk: FDI may fluctuate in value rapidly and leverage through FDI may cause losses that are greater than the original amount paid for the relevant FDI.
Emerging Markets Risk: emerging market securities may expose the Fund to more social, political, regulatory or currency risks than developed market securities and may be subject to heightened Liquidity Risk.
MLP Risk: MLPs expose the Fund to risks associated with the underlying assets of the MLPs and risks associated with pooled investment vehicles. There is also a risk that an MLP may not be treated as a partnership for U.S. federal income tax proposes, and the purpose of the Fund's investment in MLPs depends largely upon this.
Liquidity Risk: there may be insufficient buyers or sellers to allow the Fund to buy or sell certain types of securities readily, which may impact the Fund's performance or (in extreme circumstances) an investor's ability to redeem.
Counterparty Risk: a party with whom the Fund contracts for securities may fail to meet its obligations (e.g. fail to settle an FDI) or become bankrupt, which may expose the Fund to a financial loss.
Currency Risk: changes in exchange rates may reduce or increase the value of non-U.S. Dollar denominated assets held by the Fund. There can be no guarantee that currency hedging will be successful in mitigating such effects.
Operational Risk: material losses to the Fund may arise as a result of human error, system and/or process failures, inadequate procedures or controls.

For more information on these and other applicable risks see the sections "Investment Risks and Special Considerations" and "Investment Risks Applicable to each Fund" in the Prospectus.

DISCLOSURES

The Fund is actively managed and not constrained by any benchmark. The Fund invests in securities of foreign issuers, including issuers located in countries with emerging capital markets. Investments in such securities entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets. Options trading involves risk and is not suitable for all investors.

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the Prospectus and Key Investor Information Documents (KIIDs). Please read the Prospectus and KIIDs carefully before you invest. A Prospectus is available for PCM Global Funds ICAV (the ICAV) and KIIDs are available for each share class of the Fund. The ICAV's Prospectus can be obtained from pcmglobalfundsicav.com and is available in English. The KIIDs can be obtained from pcmglobalfundsicav.com and are available in one of the official languages of each of the EU Member States into which the Fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive). In addition, a summary of investor rights is available from pcmglobalfundsicav.com. The summary is available in English. The Fund is currently notified for marketing into a number of EU Member States under the UCITS Directive. The ICAV can terminate such notifications for any share class and/or the Fund at any time using the process contained in Article 93a of the UCITS Directive.

The Fund is offered solely to non-U.S. investors under the terms and conditions of the Fund's current Prospectus. Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than quoted.

The Fund is authorised in Ireland and regulated by the Central Bank of Ireland.

The representative in Switzerland is ACOLIN Fund Services AG, succursale Genève, 6 Cours de Rive, CH-1204 Geneva, Switzerland. The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de L'lle, 1204 Geneva, Switzerland. The Prospectus, the Instrument, the Key Investor Information Documents and the annual and semi-annual reports of the ICAV may be obtained upon request and free of charge from the representative in Switzerland. In respect of the shares distributed in and from Switzerland, the place of performance and jurisdiction is at the registered office of the representative in Switzerland. The shares of the ICAV shall be distributed in Switzerland exclusively to qualified investors.