

## INVESTMENT POLICY

The Company invests in securities (including equities, exchange traded funds, equity-related securities, bonds and derivatives) issued by companies, governments and other types of issuers located throughout the World.

## INVESTMENT OBJECTIVE & FOCUS

The objective of the Company is to provide investors with a combination of capital growth and income.

Its focus, since October 2020, has been on capital growth to increase the Company's NAV and share price by investing in innovative and disruptive companies, primarily in the Technology sector.

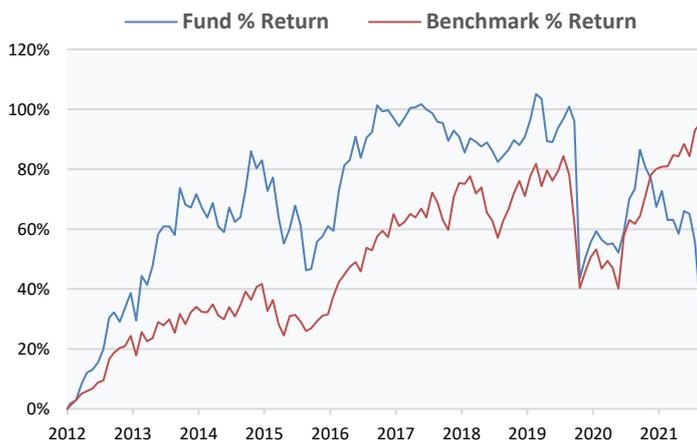
## KEY INFORMATION

<b>Investment Manager</b>	Blue Planet Investment Management Ltd		
<b>Gross Assets</b>	£15.4m		
<b>Base Currency</b>	Sterling		
<b>AIC Sector</b>	Global		
<b>AGM Date</b>	2nd September 2021		
<b>Continuation Vote</b>	AGM, 2024		
<b>Month End Gearing</b>	42%		
<b>ISIN</b>	GB0005327076	<b>LSE Code</b>	BLP

## TOP 20 HOLDINGS

Company	% of Portfolio
Dynatrace Inc	5.0%
DigitalOcean Holdings Inc	4.4%
Arista Networks Inc	4.4%
Advanced Micro Devices Inc	4.4%
Lam Research Corporation	4.3%
Micron Technology Inc	4.2%
Applied Materials Inc	4.2%
Taiwan Semiconductor ADR	4.2%
Repligen Corporation	3.9%
PubMatic Inc	3.8%
Teradyne Inc	3.5%
Qualcomm Inc	3.5%
Illumina Inc	3.1%
Digital Turbine Inc	3.1%
Keysight Technologies Inc	2.8%
Palantir Technologies Inc	2.7%
Nokia Oyj	2.6%
CareCloud Inc	2.5%
ProQR Therapeutics NV	2.5%
Silvergate Capital Corp	2.5%

## TOTAL RETURN PERFORMANCE



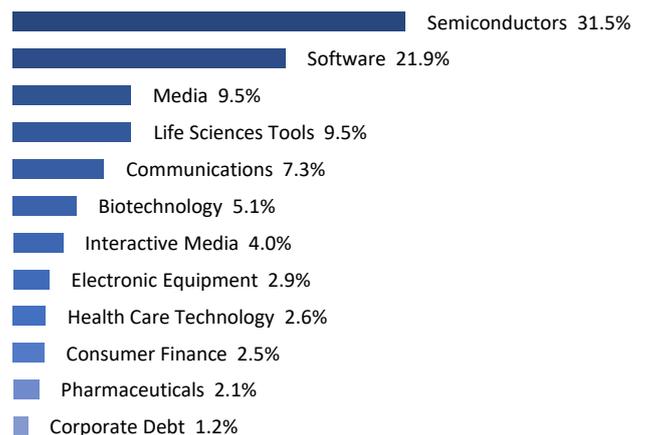
\*Benchmark Index - An index of top 100 UK companies on a total return basis

## CUMULATIVE PERFORMANCE

	Current (p)	1 month	3 months	6 months	1 year	3 years	5 years
<b>NAV + Dividend</b>	20.83	-27.3%	-35.3%	-32.6%	-39.3%	-40.4%	-36.4%
<b>Share Price + Dividend</b>	16.00	-23.8%	-27.3%	-33.9%	-24.9%	-39.6%	-23.4%
<b>An index of top 100 UK Companies</b>		1.1%	3.6%	7.9%	20.7%	19.9%	27.7%
<b>Discount / + Premium (%)</b>	-23.2%	-26.7%	-31.7%	-21.1%	-37.4%	-19.7%	-28.3%

Source: Blue Planet, share price bid to bid, net income reinvested.

## INDUSTRY BREAKDOWN (%)



## INVESTMENT MANAGER'S REVIEW

Equity markets suffered their worst start to a year since the 2008/09 bear market caused by the great financial crisis. The S&P 500 was on track for its worst January on record. That was only averted by a sharp rally in the final days of the month which pared its losses to 5.3%. It was worse for the Nasdaq Composite, which fell 9.0%. In Europe, the Stoxx 600 index fell 3.9% whilst, similar to last month, Brent Crude Oil's price rise (15.4% in January) helped lift the FTSE 100 index, producing a total return of 1.1%. On a global level, the MSCI World Index fell 5.3%.

As a result, the Trust's share price fell 23.8%. We were not alone in seeing this sort of decline during the month as Scottish Mortgage Investment Trust plc share price fell 19.3% whilst ARK Innovation ETF fell 20.3%. Dramatic sell offs of the type we have just witnessed do not happen often. They do, however, pass and history tells us that the correct thing to do is to ignore them, difficult though that is. The storm will pass and share prices will recover.

When equities sell off sharply it induces panic and clouds investors' judgement making them focus on the wrong things. What matters is not short-term share price movements but the underlying businesses you/we are invested in. Provided they continue to grow and do well their share prices will rise over time and those businesses are doing well. Five of them reported earnings during January; **Taiwan Semiconductor** reported revenue of \$15.7 billion in Q4 2021 which was up 24.1% year-on-year and net income rose 16.4% year-on-year. **Silvergate Capital Corp** reported Q4 2021 revenue of \$49.3 million, up 84.1% year-on-year and net income of \$18.4 million, up 102% year-on-year. **Lam Research Corp** reported revenue of \$4.2 billion, year-on-year growth of 22.3% and net income of \$1.2 billion, up 37.5% year-on-year. **Teradyne Inc** reported revenue of \$885 million, up 16.6% and net income of \$228 million, up 17.9%. Finally, **F5 Inc** reported revenue of \$687 million, up 9.8% with net income of \$120 million, up 8.9%. On any rational, thoughtful basis their share prices should be rising and over time they will. The fact that investors, panicked by events, have sold off the shares of rapidly growing companies is a mistake and not one to be followed. The evidence of history is overwhelming. The correct response to market sell offs is to ignore them and sit them out. Share prices will recover and those that stick with their investments will do best.

Warren Buffett, perhaps the world's greatest investor, said that it is wise for investors to be "fearful when others are greedy, and greedy when others are fearful." Lawrence Burns, deputy manager of Scottish Mortgage, one of the UK's most successful investment trusts, offers the following advice. "I completely get that any amount of volatility is difficult to stomach." However, "If you want good long-term returns you have to accept a bumpy road." "Being long term is behaviourally challenging." The difficulty is not in identifying companies that will succeed but in holding them through the bumpy periods. Put succinctly, if you want good returns then you must invest for the long term and resist the temptation to sell in times of volatility and instead use those periods to your advantage to pick up oversold shares.

We added Nvidia Inc. to the portfolio during the month. Nvidia is an outstanding, best in class, rapidly growing company. It is the world's leading designer of GPUs (Graphical Processing Units) and has dominant positions in some of the world's fastest growing technology markets, including gaming, crypto mining, AI and autonomous driving. With their shares down 35% from their highs we took the opportunity to add them to the portfolio.

Global markets are currently going through an adjustment phase as central banks withdraw liquidity from money and bond markets and tighten monetary policy. This has induced volatility and caused investors to panic. This will pass as it always does. History has shown that equities initially fall when liquidity is removed but then start to recover as interest rates rise. The Federal Reserve is expected to begin raising rates in March and inflation is expected to fall off over the coming months. If it does, the threat of future interest rate rises will recede and we will see the opposite of what we have seen in recent months. It will propel growth shares higher.

### BOARD OF DIRECTORS

<b>Mr Russell Frith</b>	Chairman
<b>Ms Victoria Killay</b>	Non-Executive
<b>Mr Kenneth Murray</b>	Non-Executive

### DIRECTOR'S SHAREHOLDING, INCLUDING BENEFICIAL INTERESTS

<b>Number of Shares</b>	14,442,738
<b>% Holding of Trust</b>	29.19%

### REGISTRARS

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**SHAREHOLDER HELPLINE TEL 0371 664 0300\***

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\*calls charged at the standard geographic rate and vary by provider, lines are open 9am-5.30pm Mon-Fri

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