



International Biotechnology Trust plc

Investing in Biotechnology for a Healthier Future

INTERIM REPORT
Six months ended 29 February 2020

WELCOME TO THE INTERNATIONAL BIOTECHNOLOGY TRUST PLC INTERIM REPORT 2020

WHO WE ARE

International Biotechnology Trust offers investors access to the fast growing biotechnology sector through an actively managed, diversified fund.

Industry leading Fund Managers at SV Health Managers LLP are scientifically, medically and financially trained with over 60 years of experience between them in this specialist sector. As well as investing in a wide ranging portfolio of global quoted biotechnology stocks, we include a small proportion of otherwise inaccessible carefully selected unquoted investments that have the potential to deliver additional returns over the long-term. Excellent management teams, unique innovative products and strong potential for outperformance are the key criteria for inclusion in our diversified portfolio of assets.

International Biotechnology Trust plc

Driven by strong fundamentals of the
biotechnology sector

Exposure to both growth and yield

Investor has access to a broad spectrum of quoted
and unquoted companies

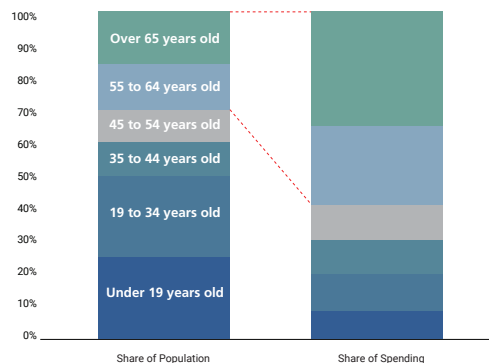
Support and expertise from industry leading Fund
Managers, SV Health Managers LLP

Bottom up stock selection with an overlay of
diversification

29 February 2020

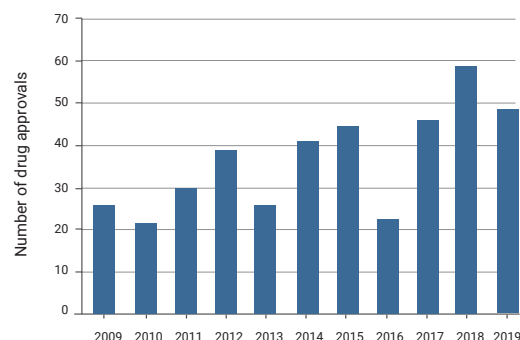
OUR MARKET DEMOGRAPHICS

Fig 1. Over 55s make up 29% of US population but account for 55% of healthcare spend



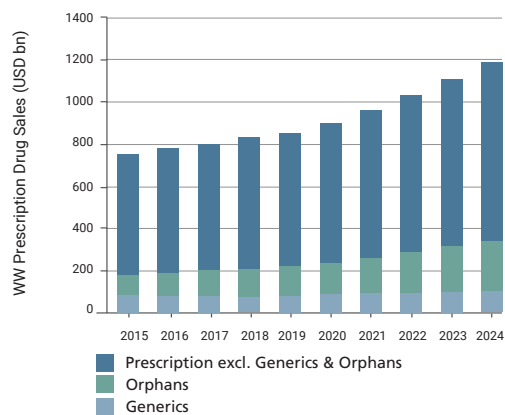
Source: Kaiser Family Foundation analysis of Medical Expenditure Panel Survey, Agency for Healthcare Research and Quality, U.S. Department of Health and Human Service, 2017

Fig 2. Increased number of prescription drugs approved by the FDA



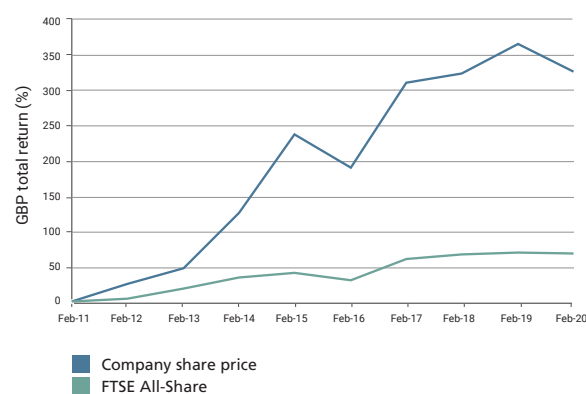
US FDA Novel Drug Approvals 1998 to 2019
Source: Food and Drug Administration (FDA)

Fig 3. Orphan and prescription drug sales set to increase



Source: EvaluatePharma, World Preview 2019, Outlook to 2024

Fig 4. Performance (total return) - Company share price vs. FTSE All-Share Index



Source: Bloomberg

FUND FACTS

For the six months ended 29 February 2020

PERFORMANCE

Total Return	(Unaudited) Six months ended 29 February 2020	(Unaudited) Six months ended 28 February 2019	(Audited) Year ended 31 August 2019
Net asset value (NAV)	3.6%	-9.1%	-6.8%
Share price	-13.4%	-7.2%	-2.1%
NASDAQ Biotechnology Index (NBI)	6.0%	-9.8%	-9.8%
FTSE All-Share Index	-5.5%	-3.7%	0.4%

All sterling-adjusted and on a total return basis (with all dividends reinvested).

FINANCIAL HIGHLIGHTS

	(Unaudited) 29 February 2020	(Unaudited) 28 February 2019	(Audited) 31 August 2019
Total equity (£'000)	244,252	236,167	239,579
NAV per share	635.6p	624.0p	623.9p
Share price	540.0p	616.0p	636.0p
Share price (discount)/premium	-15.0%	1.3%	1.9%
Ongoing charges *	1.3% **	1.2% **	1.3% **
Ongoing charges including performance fee	1.3% **	1.6% **	1.7% **

* Calculated in accordance with the Association of Investment Companies (AIC) guidance. Based on total expenses excluding finance costs and performance fee and expressed as a percentage of average daily net assets. The ratio including performance fee has also been provided, in line with the AIC recommendations. The research costs under MiFID II borne by the Company are included in the ongoing charges calculation.

** Includes management fees paid to SV Health Investors LLC directly from investment in SV Fund VI of £226,000 (28 February 2019: £254,000; 31 August 2019: £526,000).

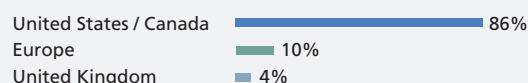
29 February 2020

FUND FACTS

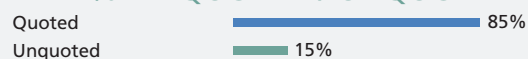
Top 30 investments by NAV as at 29 February 2020

Investment	Sub-sector	Holding		Investment	Sub-sector	Holding	
		29 Feb 2020	31 Aug 2019			29 Feb 2020	31 Aug 2019
SV Fund VI	Venture Capital Fund	8.2%	9.4%	Halozyne	Oncology	1.9%	1.9%
Vertex Pharmaceuticals	Rare diseases	6.3%	6.0%	Novo Nordisk	Metabolic	1.9%	-
Gilead Sciences	Infectious diseases	5.3%	6.9%	Roche Holding AG	Oncology	1.7%	-
Biomarin Pharmaceuticals	Rare diseases	4.9%	1.4%	Merck & Co	Oncology	1.6%	-
PTC Therapeutics	Rare diseases	4.8%	3.6%	Incyte Corporation	Oncology	1.5%	2.7%
Acadia Pharmaceuticals	Central nervous system	4.8%	0.5%	Genmab	Oncology	1.5%	2.9%
Biogen	Central nervous system	4.5%	1.6%	Amarin Corporation	Cardiovascular	1.5%	0.7%
Horizon Therapeutics	Rare diseases	4.3%	1.2%	Mirati Therapeutics	Oncology	1.0%	0.3%
Amgen	Oncology	3.5%	4.7%	Sarepta Therapeutics	Rare diseases	1.0%	0.8%
Neurocrine Biosciences	Central nervous system	3.3%	5.5%	Regeneron Pharmaceuticals	Ophthalmology	0.9%	3.1%
Ikano Therapeutics	Inflammation	3.1%	1.4%	Argenx	Oncology	0.9%	0.3%
ChemoCentryx	Rare diseases	2.7%	-	Ionis Pharmaceuticals	Rare diseases	0.9%	1.0%
Alexion Pharmaceuticals	Rare diseases	2.2%	3.5%	Nordic Consulting	Services	0.9%	1.0%
Seattle Genetics	Oncology	2.1%	1.7%	Alnylam Pharmaceuticals	Rare diseases	0.8%	0.9%
Zogenix	Central nervous system	2.0%	0.2%	KalVista Pharmaceuticals	Rare diseases	0.8%	1.0%

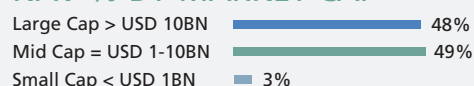
NAV % BY GEOGRAPHY



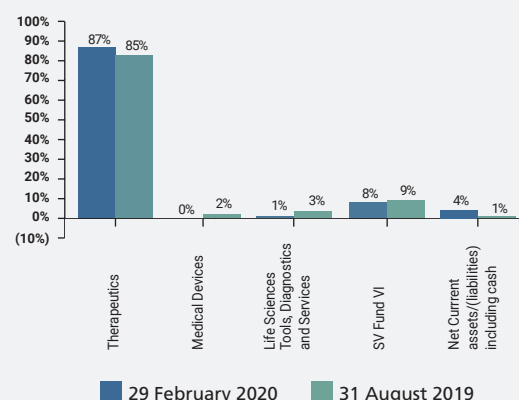
NAV % BY QUOTED / UNQUOTED



NAV % BY MARKET CAP



NAV % BY SECTOR



CONTENTS

Chairman's Statement	07
Fund Manager's Review	09
Directors' Responsibility Statement	13
Statement of Comprehensive Income	14
Statement of Changes in Equity	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18
Company Summary and Shareholder Information	21
Directors and Advisers	22

Further information on the Company may be found at:
www.ibtplc.com

29 February 2020

CHAIRMAN'S STATEMENT

Summary

Since the end of International Biotechnology Trust's (the Company's) first interim period ended 29 February 2020, the coronavirus pandemic (COVID-19) has had a profound effect on the world. Whilst the results for the period largely predate and are therefore little affected by the pandemic, in the two months since the period end we have seen periods of extreme volatility in world markets. We comment on this further below and in the Fund Managers' Review.

For the six months ended 29 February 2020, the NAV per share returned 3.6%. By comparison, the NBI returned 6.0% and the FTSE All-Share Index returned -5.5%. Over the same period, the ordinary share price of the Company returned -13.4%. The Company continues to outperform the NBI by 2.5% over a 5-year period. All figures are on a sterling-adjusted total return basis, with dividends reinvested.

The six months ended 29 February 2020 were marked by a series of macroeconomic events and market disruptions, each of which had a significant impact on global equity markets. The approaching US Presidential election and the drug price reform debate, COVID-19 and the Brexit process have all contributed to stock market volatility. However, despite these, the fundamental drivers of demand and supply in the biotechnology sector remain intact.

Quoted portfolio

The quoted portfolio returned 4.5% for the six months ended 29 February 2020 (gross of management and performance fees). The Investment Manager has continued to identify value creating opportunities in the market, both in stock pricing for NAV growth and in benefiting from M&A activity in the sector. During the period under review, the quoted portfolio has slightly underperformed the NBI due to a small number of investments that did not perform well which we comment on further in the Fund Managers' Review. However, the quoted portfolio has outperformed the FTSE All-Share Index.

Unquoted portfolio

The Company continues to enjoy success through its access to an unquoted element of the biotechnology and healthcare sectors, a unique differentiating feature of the Company which allows investors exposure to returns unavailable from quoted markets.

SV Life Sciences Fund VI's (SV Fund VI) average investment has a currency-adjusted internal rate of return (IRR) of 18.1% per annum, since inception of the fund. During the six months ended 29 February 2020, SV Fund VI made three distributions to the



“The fundamental drivers of demand and supply in the biotechnology sector remain intact.”

Company after successfully exiting investments and thus crystallising some of these impressive gains.

Our investment in SV Fund VI will continue to increase slowly towards the \$30.0m commitment, of which we have now invested 71.3%. We expect the increasing investment to overlap with both the exits of our existing unquoted companies and the distributions received from SV Fund VI. The Board expects the unquoted portfolio (including both SV Fund VI and directly-held unquoted investments) to remain within our guideline range of 5-15% of total investments.

Our directly-held unquoted portfolio continues to yield positive results, with a fair value gain of 14.4% (gross of management and performance fees) during the six months ended 29 February 2020 which was driven predominantly by unrealised gains, providing stability to the Company's performance during this period of volatility in the market.

CHAIRMAN'S STATEMENT

Performance fee

No performance fee has been generated by the portfolio for the period under review.

Dividends, discounts and share buybacks

The Company's dividend policy (approved at the Annual General Meeting) is to make dividend payments equivalent to 4 per cent of the Company's NAV as at the last day of the preceding financial year (31 August), through two equal semi-annual distributions. The first dividend for the year of 12.4 pence per share was paid in January and the Board intends to make the declaration of the second dividend for the year, in accordance with the above policy, in July for payment in August 2020.

The severe market volatility in the first half of the year, triggered in part by COVID-19 fears, caused the discount to widen to 15.0% as at 29 February 2020 from a premium of 1.9% as at 31 August 2019. This has resulted in the Company buying back 195,846 shares as at 23 April 2020 after a period of no buybacks since September 2016. Since the interim period end, the discount has reduced to 4.6%. The Board remains committed to both reducing the discount through buybacks should the discount continue to widen and, re-issuing treasury shares at a premium to the NAV, when demand permits.

Outlook

Notwithstanding the extreme volatility in the financial markets, we continue to believe that the biotechnology sector's long-term prospects are not diminished, since the need to treat patients is not related to stock market sentiment.

Since the low point in mid March 2020, the Company's share price has now recovered and is now close to the preceding 12-month high.

We continue to believe that the biotechnology sector has strong fundamentals and good growth prospects, with the potential to create value for investors. Persons over the age of 65 comprise the fastest growing age group in the US, with this segment of the population expected to double between now and 2050. The growing elderly population accounts for over half of US health spend, securing future demand and innovation in the biotechnology sector.

The Fund Manager is well equipped to work remotely and therefore the current restrictions associated with COVID-19 have not radically changed the working practices for the Company. However, the investment landscape has been affected. The Investment Manager anticipated the likely global impact of the virus relatively early in its trajectory and made appropriate adjustments to the portfolio. I expect that there will be more volatility to come as Shareholder sentiment is affected by the progress of the pandemic, but the fundamentals of the biotech sector remain intact, and should deliver growth over the long-term.

JOHN ASTON | Chairman
24 April 2020



29 February 2020

FUND MANAGER'S REVIEW

Summary

As at 29 February 2020, the Company's NAV amounted to £244.3m, representing a return of 3.6% on the NAV per share for the period under review. By comparison, the NBI increased by 6.0% over the same period.

For financial reporting purposes, the quoted portfolio represented 85.4% of the NAV (excluding cash and other net assets) as at 29 February 2020, while the unquoted portfolio represented 14.6% of the NAV. For performance purposes, companies that were first invested in from the unquoted pool and have now become quoted but continue to be managed by the unquoted Investment Managers, are included within the unquoted portfolio.

By subsector, 86.8% of the portfolio was invested in therapeutics, 1.3% in life sciences, tools, diagnostics and services and 8.2% in a venture capital fund, SV Fund VI. The three largest specialty areas within therapeutics were oncology (23.0%), rare diseases (31.0%) and central nervous system diseases (17.0%). SV Fund VI invests in unquoted companies across three sectors - biotechnology, healthcare services and medical devices. Cash and other short-term assets amounted to 3.7% of NAV.

Global equity markets are experiencing an extreme period of volatility as a result of COVID-19. We were quick to anticipate the likely impact of COVID-19 on the market and adapted the Company's investment strategy by increasing cash at the end of January 2020, providing the necessary stability through the market volatility that followed. Towards the middle of March 2020, the markets experienced a strong retraction and we deployed some of this cash to take advantage of investments with high value prospects. The majority of the Company's portfolio is made up of liquid assets and therefore funds can be easily raised if required.

Quoted portfolio

For the six months ended 29 February 2020, the quoted portfolio returned 4.5% (gross of management and performance fees). By comparison, the NBI returned 6.0% and the FTSE All-Share Index returned -5.5%. All figures are on a sterling-adjusted total return basis, with dividends reinvested.

There has been significant market volatility during the period under review. We attribute the market volatility to general macro-economic concerns, particularly considering the Brexit process, the upcoming 2020 US Presidential election and the drug pricing debate. The effect of these concerns was further compounded by the evolving COVID-19 pandemic which continues to rock global equity markets and affected the second quarter performance.



“Despite the recent uncertainty, the biotechnology sector continues to have strong fundamentals.”

FUND MANAGER'S REVIEW

Mergers and acquisitions

Mergers and acquisitions (M&A) continue to be a key feature of both the sector and the Company's portfolio. Smaller companies have, historically, been more attractively valued and therefore make them prime targets for M&A deals and the six-month period under review has been no different.

Most notably, the Medicines Company was acquired by Novartis AG in November 2019 and ArQule was acquired by Merck in December 2019. Both acquired companies are in the Company's portfolio and the bid premiums were 45% and 107% respectively. Despite the impacts of COVID-19, we do not foresee this pace of M&A activity slowing in the second half of the year and the Company is well positioned to take advantage of any future M&A gains.

Positive contributors to the NAV

The top three contributors to the NAV were Vertex, Regeneron and Acceleron.

Vertex's strong performance followed the Food and Drug Administration's (FDA's) approval of Trikafta, a triple combination therapy used to treat cystic fibrosis, which came five months earlier than expected. Trikafta sales are expected to exceed \$6bn by 2025, while the approval means the company's portfolio of cystic fibrosis treatments will now cover 90% of patients suffering from the disease. Vertex's share price rose further when it announced it would make cystic fibrosis treatments available to patients in the UK after the company reached a reimbursement agreement with the National Health Service (NHS) in the UK. Vertex has remained in our "Top 10" ever since and is our largest quoted holding as at 29 February 2020.

Regeneron's share price increased when a competitor to its Eylea franchise, Novartis' Beovu – a treatment for visual impairment, discovered adverse events during trial studies which was likely to dampen its uptake and minimise competitive risk.

Acceleron reported positive phase 2 data for Sotatercept, a candidate for Pulmonary Arterial Hypertension (PAH), which is a rare disorder in which patients have high blood pressure in the arteries of the lungs. In addition to meeting its primary endpoint for the phase 2 trials, the study also achieved multiple secondary endpoints, promising a positive outlook for phase 3 trial success.

Detractors from NAV

The quoted NAV was negatively impacted by share price falls for Stemline, Sage and Amarin.

Following the FDA approval of Stemline's Elzonris, a drug used to treat Blastic Plasmacytoid Dendritic Cell Neoplasm (BPDCN), in December 2018, investors looked favourably upon Stemline. However, disappointing sales data as a result of fewer patients being diagnosed and lower than expected demand for the drug has caused Stemline's share price to reduce significantly in the second quarter. The Company has responded by reducing its investment in Stemline to a nil position.

Sage's share price was significantly reduced in December 2019 following an announcement that the company's treatment for depression failed in a late-stage trial. The study was part of Sage's development program, SAGE-217, to treat major depressive disorders in adults, such as postpartum depression and other mood disorders and didn't meet its primary endpoint of a statistically significant improvement in a scale that tracks 17 parameters, including anxiety and paranoia, at day 15. This study is the first time SAGE-217 has missed on a major depression trial and came as a major surprise to investors. The Company held a neutral position going into the results of the clinical trial but has since then significantly reduced its holdings in Sage.

Amarin's patent litigation against potential generic competitor drugs to Vascepa has seen Amarin's share price weakening and therefore has seen our NAV negatively impacted.

29 February 2020

FUND MANAGER'S REVIEW

Unquoted portfolio

The Company's investment in SV Fund VI continues to be a success, with a currency adjusted IRR of 18.1% since inception of the fund. The draw down to date on the commitment of \$30.0 million is \$21.4 million which represents 71.3% of the total committed capital. SV Fund VI's investee companies continue to be diversified between biotechnology, healthcare services and medical devices similar to our existing unquoted investments, but with smaller allocations to each individual company, allowing for greater diversification.

The fair value gain on the directly-held unquoted portfolio for the six months ended 29 February 2020 was 14.4% (gross of performance and management fees). No performance fee has been earned for the period under review.

The largest contributor to the performance for the six months ended 29 February 2020 is an uplift in the valuation of a single unquoted investment from £3.2 million to £7.5 million to reflect improved projected sales data on one of its prescription drugs.

The largest detractor from performance for the period under review is TopiVert, which is in the process of winding down operations. TopiVert is currently being valued at £0.1 million, the residual amount the Company is expecting to receive once operations have been fully wound down. This represents a decrease of £1.1 million to the valuation as at 31 August 2019.

Summary of unquoted investments

	Number of investments	Fair value at 29 February 2020 (£'m)	Percentage of NAV
Unquoted	6	5.1	2.1%
Exited with contingent milestones	5	10.4	4.3%
SV Fund VI	23*	19.9	8.2%
Total unquoted	34	35.4	14.6%
Previously unquoted, now listed**	3	3.4	1.4%
Total unquoted for performance measurement	37	38.8	16.0%

* The number of investments listed within SV Fund VI represents the number of investments into underlying individual portfolio companies.

** For performance purposes, companies that were first invested in from the unquoted pool and have now become quoted but continue to be managed by the unquoted Investment Managers, are included within the unquoted portfolio.

FUND MANAGER'S REVIEW

Outlook

Severe market volatility in the wake of the COVID-19 pandemic has significantly impacted the growth and earnings potential of the global economy. This has added to the uncertainty in an already volatile market caused by Brexit and the upcoming US Presidential election.

Despite this recent market volatility, the biotechnology sector continues to have strong fundamentals. It is our view that the biotechnology sector is undervalued. The number of new clinical studies increased from 30,978 in 2018 to 32,524 in 2019 and the FDA approved a record 59 new drugs in 2018 with 48 approved in 2019, demonstrating its commitment to innovation and medical advancement.

The upcoming 2020 US Presidential election and Democratic primaries have shone a light on US drug pricing with Healthcare reform being at the centre of the Democratic primaries debate. Pricing concerns are likely to remain a focus, throughout 2020,

for established drugs in competitively crowded areas, such as diabetes and inflammatory conditions, which make up a large proportion of the overall cost burden of prescription drugs. As a result, we continue to expect that the biotechnology sector will trade sideways until the market has gained more clarity regarding the COVID-19 outbreak and certainty regarding the outcome of the US Presidential election in November 2020.

Our industry leading team of investment managers continue to respond to recent market developments, adapting our investment strategy, where required. We apply a thorough, bottom-up stock selection process, combined with a top down overlay to ensure diversification, driving long-term outperformance and investment growth for our investors.

CARL HARALD JANSON, SV HEALTH MANAGERS LLP
Lead Investment Manager
24 April 2020

29 February 2020

DIRECTORS' RESPONSIBILITY STATEMENT

In respect of the Interim Report for the six months ended 29 February 2020, we confirm that, to the best of our knowledge:

- the interim financial information contained within has been prepared in accordance with IAS 34 "Interim Financial Reporting"; and gives a true and fair view of the assets, liabilities, financial position and profit and loss of the Company as at 29 February 2020, as required by the Financial Conduct Authority's Disclosure Guidance and Transparency Rule 4.2.4R;
- the Interim Report includes a fair review, as required by Disclosure Guidance and Transparency Rule 4.2.7R, of important events that has occurred during the six months ended 29 February 2020 and their impact on the interim financial information and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- the Interim Report includes a fair review of the information concerning related party transactions as required by Disclosure Guidance and Transparency Rule 4.2.8R.

The Interim Report has not been reviewed or audited by the Company's auditors.

The Interim Report for the six months ended 29 February 2020 was approved by the Board and the above Responsibility Statement has been signed on its behalf by:

JOHN ASTON | Chairman
24 April 2020



STATEMENT OF COMPREHENSIVE INCOME

		(Unaudited) For the six months ended 29 February 2020			(Unaudited) For the six months ended 28 February 2019			(Audited) For the year ended 31 August 2019		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income										
Gains/(losses) on investments held at fair value		-	9,841	9,841	-	(21,056)	(21,056)	-	(13,940)	(13,940)
Exchange gains/(losses) on currency balances		-	589	589	-	14	14	-	(517)	(517)
Other Income	2	486	-	486	214	-	214	669	-	669
Expenses										
Management fee		(844)	-	(844)	(798)	-	(798)	(1,610)	-	(1,610)
Performance fee		-	-	-	-	(821)	(821)	-	(970)	(970)
Administrative expenses		(520)	-	(520)	(376)	-	(376)	(862)	-	(862)
Profit/(loss) before finance costs and tax		(878)	10,430	9,552	(960)	(21,863)	(22,823)	(1,803)	(15,427)	(17,230)
Finance costs										
Interest payable		(203)	-	(203)	(31)	-	(31)	(214)	-	(214)
Profit/(loss) on ordinary activities before tax		(1,081)	10,430	9,349	(991)	(21,863)	(22,854)	(2,017)	(15,427)	(17,444)
Taxation		(71)	-	(71)	(28)	-	(28)	(96)	-	(96)
Profit/(loss) for the period attributable to Shareholders		(1,152)	10,430	9,278	(1,019)	(21,863)	(22,882)	(2,113)	(15,427)	(17,540)
Profit/(loss) per Ordinary share (pence)	3	(3.0)	27.1	24.1	(2.7)	(58.1)	(60.8)	(5.6)	(40.7)	(46.3)

All revenue and capital items in the above statement are derived from continuing operations.

The total column of this statement represents the Company's Statement of Comprehensive Income prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

The Company does not have any other comprehensive income and hence the net profit/(loss) for the period, as disclosed above, is the same as the Company's total comprehensive income.

The revenue and capital columns are supplementary information and are prepared under guidance published by the AIC.

The notes on pages 18 to 20 form part of these Financial Statements.

29 February 2020

STATEMENT OF CHANGES IN EQUITY

(Unaudited) For the six months ended 29 February 2020	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 1 September 2019	10,335	19,993	31,482	216,525	(38,756)	239,579
Total Comprehensive Income:						
Profit/(loss) for the period	-	-	-	10,430	(1,152)	9,278
Transactions with owners, recorded directly to equity:						
Dividend paid in the period	-	-	-	(4,781)	-	(4,781)
Ordinary shares issued from treasury	-	214	-	767	-	981
Ordinary shares bought back into treasury	-	-	-	(805)	-	(805)
Balance at 29 February 2020	10,335	20,207	31,482	222,136	(39,908)	244,252

(Unaudited) For the six months ended 28 February 2019	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 1 September 2018	10,335	18,805	31,482	238,494	(36,643)	262,473
Total Comprehensive Income:						
Loss for the period	-	-	-	(21,863)	(1,019)	(22,882)
Transactions with owners, recorded directly to equity:						
Dividend paid in the year	-	-	-	(5,267)	-	(5,267)
Ordinary shares issued from treasury	-	405	-	1,438	-	1,843
Balance at 28 February 2019	10,335	19,210	31,482	212,802	(37,662)	236,167

(Audited) For the year ended 31 August 2019	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
Balance at 1 September 2018	10,335	18,805	31,482	238,494	(36,643)	262,473
Total Comprehensive Income:						
Loss for the year	-	-	-	(15,427)	(2,113)	(17,540)
Transactions with owners, recorded directly to equity:						
Dividend paid in the year	-	-	-	(10,616)	-	(10,616)
Ordinary shares issued from treasury	-	1,188	-	4,074	-	5,262
Balance at 31 August 2019	10,335	19,993	31,482	216,525	(38,756)	239,579

The notes on pages 18 to 20 form part of these Financial Statements.

BALANCE SHEET

	Notes	(Unaudited) At 29 February 2020 £'000	(Unaudited) At 28 February 2019 £'000	(Audited) At 31 August 2019 £'000
Non-current assets				
Investments held at fair value through profit or loss		234,980	239,668	237,360
		234,980	239,668	237,360
Current assets				
Trade and other receivables		4,844	142	2,616
Cash and cash equivalents		8,014	10,424	886
		12,858	10,566	3,502
Total assets		247,838	250,234	240,862
Current liabilities				
Bank overdraft		(407)	-	-
Trade and other payables		(3,179)	(14,067)	(1,283)
		(3,586)	(14,067)	(1,283)
Net assets		244,252	236,167	239,579
Equity attributable to equity holders				
Called up share capital		10,335	10,335	10,335
Share premium account		20,207	19,210	19,993
Capital redemption reserve		31,482	31,482	31,482
Capital reserves	4	222,136	212,802	216,525
Revenue reserve		(39,908)	(37,662)	(38,756)
Total equity		244,252	236,167	239,579
NAV per Ordinary share (pence)	5	635.6	624.0	623.9

The notes on pages 18 to 20 form part of these Financial Statements.

29 February 2020

CASH FLOW STATEMENT

	(Unaudited) For the six months ended 29 February 2020 £'000	(Unaudited) For the six months ended 28 February 2019 £'000	(Audited) For the year ended 31 August 2019 £'000
Cash flows from operating activities			
Profit/(loss) before tax	9,349	(22,854)	(17,444)
Adjustments for:			
Decrease in investments	2,380	23,357	25,665
Increase in trade and other receivables	(2,228)	(92)	(2,566)
Increase in trade and other payables	1,896	13,697	913
Taxation	(71)	(28)	(96)
Net cash flows generated from operating activities	11,326	14,080	6,472
Cash flows used in financing activities			
Ordinary shares bought back into treasury	(805)	-	-
Ordinary shares issued from treasury	981	1,843	5,262
Dividend paid	(4,781)	(5,267)	(10,616)
Net cash used in financing activities	(4,605)	(3,424)	(5,354)
Net increase in cash and cash equivalents	6,721	10,656	1,118
Cash and cash equivalents at beginning of period	886	(232)	(232)
Cash and cash equivalents at end of period	7,607	10,424	886

The notes on pages 18 to 20 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The interim financial information has been prepared on a going concern basis, in accordance with International Accounting Standard 34 “Interim Financial Reporting” and the accounting policies set out in the Annual Report of the Company for the year ended 31 August 2019. Where presentational guidance set out in the Statement of Recommended Practice (SORP) for investment trusts issued by the AIC in October 2019 is consistent with the requirements of IFRS, the accounts have been prepared on a basis compliant with the recommendations of the SORP.

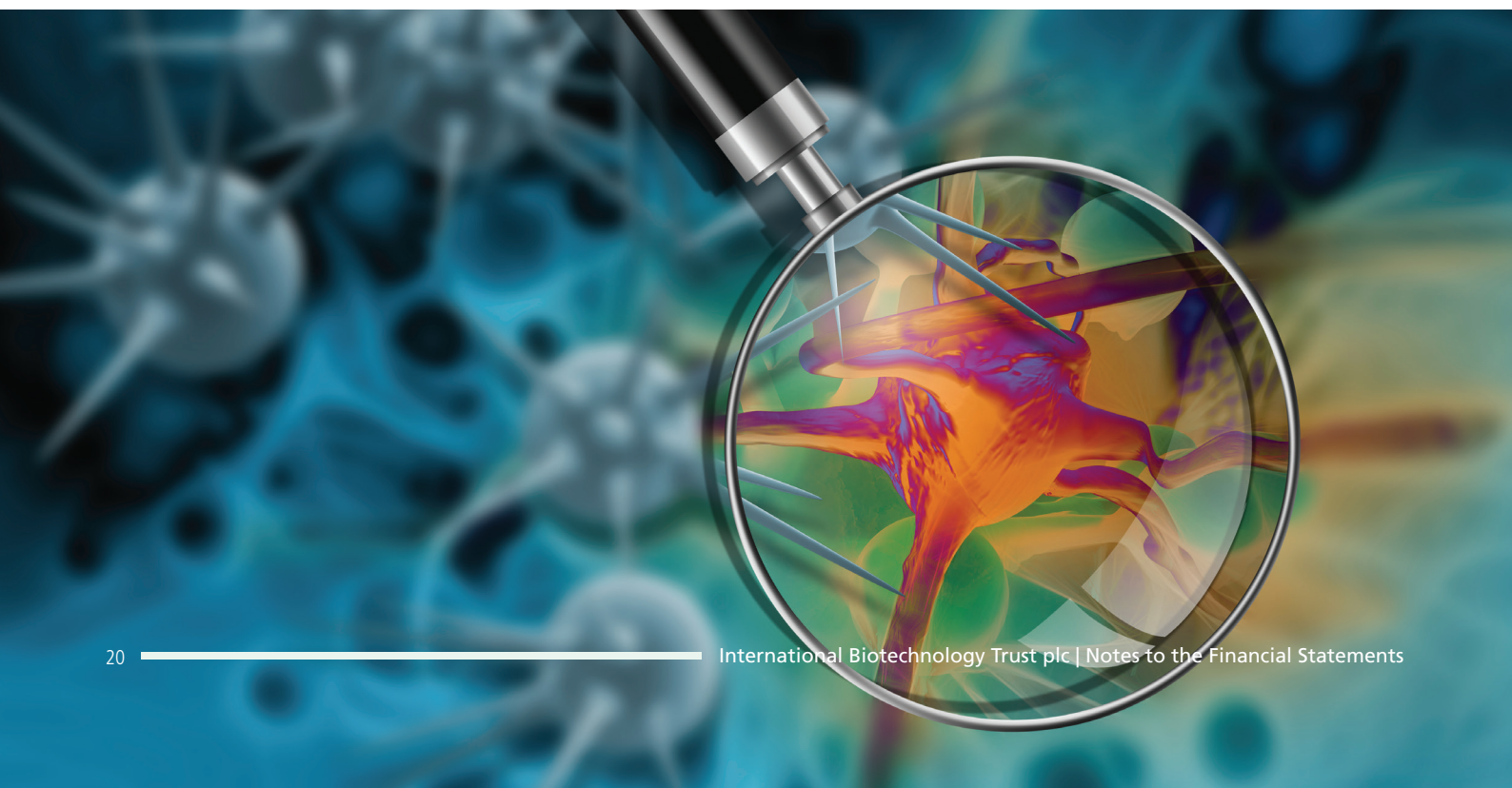
The interim financial information for each of the six month periods ended 29 February 2020 and 28 February 2019 comprises non-statutory accounts within the meaning of Sections 434 - 436 of the Companies Act 2006 (the Act). The financial information for the year ended 31 August 2019 has been extracted from the published Annual Report that has been delivered to the Registrar of Companies and on which the report of the auditors was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under Section 498(2) or (3) of the Act.

The Company has reviewed the guidance issued by the Financial Reporting Council (FRC) in order to determine whether the going concern basis should be used in preparing the interim financial information for the six months ended 29 February 2020. Considering the impact of COVID-19, the Directors have reviewed

the Company’s portfolio composition and the potential impact on the Company’s NAV and gearing position, including debt covenants and liquidity requirements, in the event that further share buy backs are required. The Directors have also reviewed assessments of operational costs and cashflows for the Company for the 12 months from the date of this Interim Report and are of the opinion that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors believe that it is appropriate to adopt the going concern basis in the preparation of the Interim Report as there are no material uncertainties related to events or conditions that may cast significant doubt about the Company’s ability to continue as a going concern.

The Directors have reviewed the Company’s principal risks and uncertainties as described in the Annual Report for the year ended 31 August 2019 and while COVID-19 has not had a significant impact on these principal risks, the Directors will continue to assess any potential impact as the pandemic unfolds.

These include strategy/performance risk, investment related risks, operational risks and tax, legal and regulatory risks. These risks, and the way in which they are managed, are described in more detail under the heading “Principal risks and uncertainties” within the Strategic Report in the Company’s Annual Report for the year ended 31 August 2019.



29 February 2020

NOTES TO THE FINANCIAL STATEMENTS

2. OTHER INCOME

	(Unaudited) For the six months ended 29 February 2020 £'000	(Unaudited) For the six months ended 28 February 2019 £'000	(Audited) For the year ended 31 August 2019 £'000
Dividend Income	481	189	642
Bank interest	5	25	27
	486	214	669

3. NET EARNINGS/(LOSSES) PER ORDINARY SHARES

	(Unaudited) For the six months ended 29 February 2020 £'000	(Unaudited) For the six months ended 28 February 2019 £'000	(Audited) For the year ended 31 August 2019 £'000
Net revenue loss	(1,152)	(1,019)	(2,113)
Net capital profit/(loss)	10,430	(21,863)	(15,427)
	9,278	(22,882)	(17,540)
Weighted average number of Ordinary shares in issue*	38,530,405	37,601,945	37,853,827
Revenue loss per Ordinary share (pence)	(3.0)	(2.7)	(5.6)
Capital (loss)/profit per Ordinary share (pence)	27.1	(58.1)	(40.7)
Total earnings/(losses) per Ordinary share (pence)	24.1	(60.8)	(46.3)

* Excludes treasury shares (29 February 2020: 2,916,476; 28 February 2019: 3,495,000; 31 August 2019: 2,945,000).

4. CAPITAL RESERVES

The capital reserve account comprises both realised gains on investments sold and unrealised gains and losses on investments held, which are analysed as follows:

	(Unaudited) At 29 February 2020 £'000	(Unaudited) At 28 February 2019 £'000	(Audited) At 31 August 2019 £'000
Capital reserve - on investments sold	204,718	201,371	204,506
Capital reserve - on investments held	17,418	11,431	12,019
	222,136	212,802	216,525

NOTES TO THE FINANCIAL STATEMENTS

5. NAV PER ORDINARY SHARE

	(Unaudited) At 29 February 2020	(Unaudited) At 28 February 2019	(Audited) At 31 August 2019
Net assets attributable to Ordinary Shareholders (£'000)	244,252	236,167	239,579
Ordinary shares in issue at end of period*	38,426,187	37,847,663	38,397,663
NAV per Ordinary share (pence)	635.6	624.0	623.9

* Excludes treasury shares (29 February 2020: 2,916,476; 28 February 2019: 3,495,000; 31 August 2019: 2,945,000).

6. RELATED PARTY TRANSACTIONS

(a) Transactions with the Fund Manager

Details of the management fee arrangement are given in the Directors' Report on page 26 of the Annual Report for the year ended 31 August 2019. Following the investment into the SV Fund VI venture capital fund on 3 October 2016, a portion of the management fee has been paid via fees due on this investment, with the remaining fees charged directly to the Company. The amounts paid can be seen in the table below and continue to total 0.9% of NAV. In the prior year, fees of £1,051,930 were paid in the six months to 28 February 2019.

	(Unaudited) At 29 February 2020 (£)	(Unaudited) At 28 February 2019 (£)	(Audited) At 31 August 2019 (£)
Management fees paid by the Company directly to SV Fund VI	225,806	253,870	525,909
Management fees paid by the Company directly to the Fund Manager	844,521	798,060	1,610,022
Total	1,070,327	1,051,930	2,135,931

A performance fee of £nil has been accrued as at 29 February 2020 (28 February 2019: £821,000; 31 August 2019 £970,000).

(b) Related Party transactions

The Directors of the Company are key management personnel. The total remuneration payable to Directors in respect of the six months ended 29 February 2020 was £66,500 (28 February 2019: £66,500; 31 August 2019: £133,000) of which £32,250 (28 February 2019: £66,500; 31 August 2019: £33,250) was outstanding at the period end.

29 February 2020

COMPANY SUMMARY AND SHAREHOLDER INFORMATION

Company Status

The Company was established in 1994 as an independent investment trust whose shares are listed on the London Stock Exchange (Ordinary shares: ISIN: GB0004559349; EPIC Code: IBT). The Company is registered in England and Wales with a Company number: 2892872.

Life of the Company

The Company's Articles of Association provide for Directors to put forward a proposal for the continuation of the Company at the Company's Annual General Meeting (AGM) at two-yearly intervals. Accordingly, a proposal will be put forward at the AGM to be held in December 2021.

Share Price and NAV Information

The Company's shares are listed on the London Stock Exchange. The Company's share price is quoted daily in The Financial Times.

The Company releases its NAV per share to the market on a daily basis.

Association of Investment Companies

The Company is a member of the AIC. Further information on the AIC can be found at its website: www.theaic.co.uk

Financial Calendar

31 January	Payment of first interim dividend
27 April	Interim Results announced
August	Payment of second interim dividend
31 August	Year End
October / November	Annual Results announced
December	AGM

Shares in Issue

As at 23 April 2020, the Company had 38,361,817 Ordinary shares of 25p each in issue, which included 2,980,846 Ordinary shares held in treasury.

Website

The Company's website is located at: www.ibtplc.com.

The site provides the Company's share price and NAV information as well as details of the Board of Directors and SV Health Managers LLP, information on investee companies, monthly factsheets, the latest published Annual and Interim Reports and access to recent market announcements.

DIRECTORS AND ADVISERS

■ Directors

John Aston OBE (Chairman)
Dr Véronique Bouchet (Senior Independent Director)
Caroline Gulliver (Audit Committee Chairman)
Jim Horsburgh (Independent Director)

■ Fund Manager and AIFM

SV Health Managers LLP
71 Kingsway, London WC2B 6ST
Telephone: 020 7421 7070
Email: IBT-IR@svhealthinvestors.com

■ Company Secretary and Registered Office

BNP Paribas Secretarial Services Limited
10 Harewood Avenue, London NW1 6AA
Telephone: 020 7410 5971
Email: secretarialservice@uk.bnpparibas.com

■ Administrator, Banker and Custodian

HSBC Bank PLC
8 Canada Square, London E14 5HQ

■ Independent Auditor

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditor
Atria One, 144 Morrison Street, Edinburgh, EH3 8EX

■ Stockbroker

Numis Securities Limited
The London Stock Exchange Building
10 Paternoster Square, London EC4M 7LT

■ Registrar

Equiniti Limited
Aspect House, Spencer Road
Lancing, West Sussex BN99 6DA
Shareholder Helpline: 0371 384 2624*
Overseas Helpline: +44 121 415 7047
Website: www.shareview.co.uk

** Lines are open from 8.30am to 5.30pm Monday to Friday (excluding public holidays in England and Wales).*



The background of the entire page is a dark blue, semi-transparent image showing several hands of different skin tones reaching out and holding each other in a supportive gesture. This image is overlaid with a white rectangular box containing the report title and contact information.

INTERIM REPORT

29 FEBRUARY 2020

SV Health Managers LLP

71 Kingsway
London WC2B 6ST
Telephone: +44 (0)20 7421 7070
Email: IBT-IR@svhealthinvestors.com

BNP Paribas Secretarial Services Limited

10 Harewood Avenue
London NW1 6AA
Telephone: +44 (0)20 7410 5971

For further information: www.ibtplc.com