



# International Biotechnology Trust

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## Investing in Biotechnology for a Healthier Future

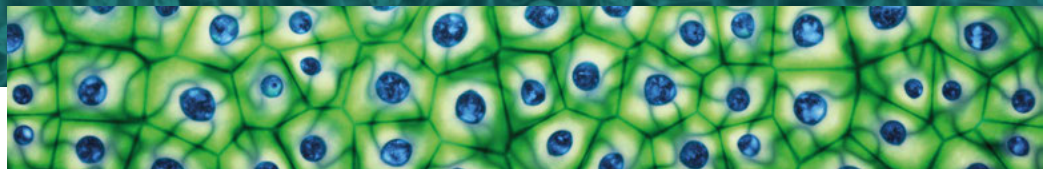
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Half Yearly Report | Six months ended 28 February 2021

# WELCOME TO

## INTERNATIONAL BIOTECHNOLOGY TRUST PLC's

HALF YEARLY REPORT FOR THE SIX MONTHS ENDED 28 FEBRUARY 2021



## WHO WE ARE

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

Our award winning Fund Managers at SV Health Managers LLP are scientifically, medically and financially trained with over 75 years of experience between them. 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 which have the potential to deliver additional returns over the long-term. An excellent management team, unique innovative products and strong potential for outperformance are the key criteria for inclusion in our diversified portfolio of assets. The six key attributes of our Company are detailed below:



### Strong fundamentals

Driven by the strong fundamentals of the Biotechnology sector



### Diversified portfolio

Access to a broad spectrum of quoted and unquoted investments



### Growth and yield

Provides investors exposure to both growth and an attractive yield



### Active management

Bottom up stock selection with diversification overlay



### Expert team

Scientifically and financially experienced Investment Managers which are part of SV Health Investors



### Innovation

Invested in some of the most innovative companies in the world

28 February 2021

## FUND FACTS

### FINANCIAL HIGHLIGHTS

	(Unaudited) 28 February 2021	(Unaudited) 29 February 2020	(Audited) 31 August 2020
<b>Total equity/net asset value (NAV) (£'000)</b>	<b>316,598</b>	244,252	283,897
<b>NAV per share</b>	<b>775.7p</b>	635.6p	738.6p
<b>Share price</b>	<b>785.0p</b>	540.0p	730.0p
<b>Share price premium/(discount)</b>	<b>1.2%</b>	(15.0%)	(1.2%)
<b>Gearing /(cash)</b>	<b>2.9%</b>	—	6.3%
<b>Ongoing charges*</b>	<b>1.2%**</b>	1.3%**	1.3%**
<b>Ongoing charges including performance fee</b>	<b>1.2%**</b>	1.3%**	1.4%**

For detailed calculations, please refer to Alternative Performance Measures (APMs) on pages 24 and 25.

\*Calculated in accordance with the Association of Investment Companies (the 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. 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 £193,000 (29 February 2020: £226,000; 31 August 2020: £417,000).

### PERFORMANCE

	(Unaudited) Six months ended 28 February 2021	(Unaudited) Six months ended 29 February 2020	(Audited) Year ended 31 August 2020
<b>Cumulative Total Return</b>			
<b>NAV per share total return</b>	<b>6.9%</b>	3.9%	22.4%
<b>Share price total return</b>	<b>9.5%</b>	(13.1)%	18.7%
<b>NASDAQ Biotechnology Index (NBI)</b>	<b>11.5%</b>	6.0%	20.6%
<b>FTSE All-Share Index</b>	<b>12.0%</b>	(5.5)%	(12.6)%

For detailed calculations, please refer to Alternative Performance Measures (APMs) on pages 24 and 25.

Data for NBI and FTSE All-Share Index sourced from Bloomberg. All sterling adjusted and on a total return basis (with dividends reinvested).

### PORTFOLIO OVERVIEW

	28 February 2021	29 February 2020	31 August 2020
<b>Number of total portfolio companies*</b>	<b>68</b>	78	69
<b>Number of quoted holdings</b>	<b>58</b>	66	57
<b>Number of unquoted holdings**</b>	<b>10</b>	12	12
<b>NAV (£'m)</b>	<b>316.6</b>	244.3	283.9
<b>Quoted investments (£'m)</b>	<b>287.5</b>	200.1	266.9
<b>Unquoted investments (£'m)</b>	<b>34.1</b>	34.9	35.3
<b>Net (debt)/cash (£'m)</b>	<b>(9.1)<sup>†</sup></b>	7.6	(17.8) <sup>†</sup>

\*Excluding unquoted companies fully written off (2021: 11; 2020: 9).

\*\*Includes SV Fund VI as one unquoted holding. SV Fund VI has 25 companies in its portfolio, of which six are quoted as at 28 February 2021.

<sup>†</sup>Debt as at 28 February 2021 is a result of the Investment Managers' investment strategy.

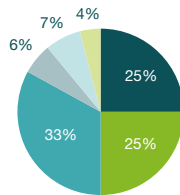
## PORTFOLIO COMPOSITION

### PORTFOLIO COMPOSITION\*

As at 28 February 2021

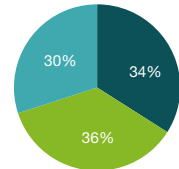
#### NAV% by Size

- Mega cap > \$30bn
- Large cap \$10bn-\$30bn
- Mid cap \$2-10bn
- Small cap < \$2bn
- SV Fund VI
- Directly-held unquoted

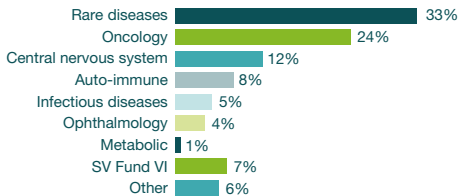


#### NAV% by Development Stage

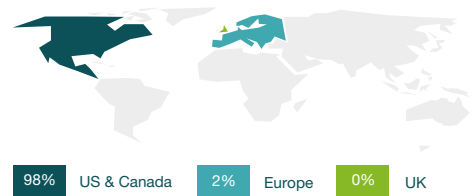
- Profitable
- Revenue Growth
- Early-stage



#### NAV% by Therapeutic Area



#### NAV% by Geography

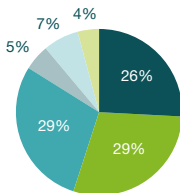


### PORTFOLIO COMPOSITION\*

As at 31 August 2020

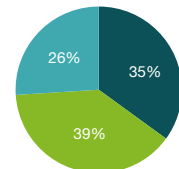
#### NAV% by Size

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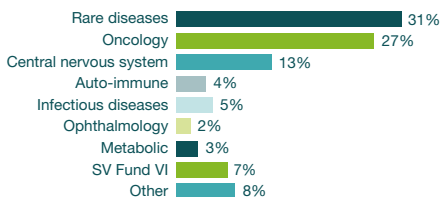


#### NAV% by Development Stage

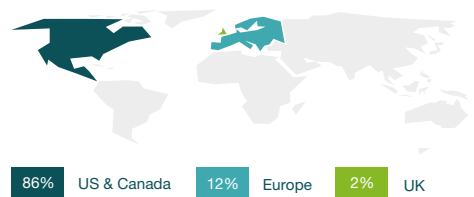
- Profitable
- Revenue Growth
- Early-stage



#### NAV% by Therapeutic Area



#### NAV% by Geography



\*Adjusted for cash/(debt) balance

## TOP 10 QUOTED HOLDINGS

### Horizon Therapeutics

8.1% of NAV

Market cap of \$20.4bn

A revenue growth stage biopharmaceutical company (HZNP) focused on researching, developing, and commercialising medicines that address critical needs for rare and rheumatic diseases.

### Gilead Sciences

5.4% of NAV

Market cap of \$77.2bn

A profitable biopharmaceutical company (GILD) that focuses on researching and developing antiviral drugs used in the treatment of HIV, hepatitis B, hepatitis C, and influenza, including Biktaury, Harvoni, Sovaldi and Epclusa.

### Regeneron Pharmaceuticals

4.5% of NAV

Market cap of \$48.3bn

A profitable biotechnology company (REGN) focused on ophthalmology, autoimmune diseases and oncology. The company has developed Eylea for macular disorders including age related macular degeneration, and Dupixent for eczema and moderate to severe asthma.

### Exelixis

4.3% of NAV

Market cap of \$6.8bn

A profitable genomics-based drug discovery company (EXEL) is the producer of Cabometyx, a treatment approved for the treatment of kidney and liver cancer.

### PTC Therapeutics

4.3% of NAV

Market cap of \$4.0bn

A revenue growth stage pharmaceutical company (PTCT) focused on the development of orally administered small molecule drugs and gene therapy used in treatments of orphan diseases.

### Vertex Pharmaceuticals

4.1% of NAV

Market cap of \$55.3bn

A profitable biopharmaceutical company (VRTX) which successfully developed and commercialised a portfolio of therapies to treat the orphan disease indication Cystic Fibrosis.

### Amgen Inc

3.7% of NAV

Market cap of \$129.9bn

A profitable biopharmaceutical company (AMGN) focused on molecular biology and biochemistry with marketed products that treat a broad spectrum of diseases from cancer to autoimmune diseases.

### Alnylam Pharmaceuticals

3.6% of NAV

Market cap of \$17.3bn

A revenue growth stage biopharmaceutical company (ALNY) focused on the discovery, development and commercialisation of RNA interference therapeutics for genetically defined diseases.

### BioMarin Pharmaceutical

3.6% of NAV

Market cap of \$14.1bn

A revenue growth stage biotechnology company (BMRN) whose core business and research in enzyme replacement therapies to treat orphan diseases.

### Alexion Pharmaceuticals

3.4% of NAV

Market cap of \$33.6bn

A profitable pharmaceutical company (ALXN) best known for its development of Soliris, a drug used to treat the rare disorders, atypical hemolytic uremic syndrome and paroxysmal nocturnal hemoglobinuria.

For full portfolio holdings, please refer to pages 26 to 28.

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**International  
Biotechnology  
Trust**

Further information on the Company  
may be found on the internet at  
[www.ibtplc.com](http://www.ibtplc.com)

28 February 2021

# CHAIRMAN'S STATEMENT

## SUMMARY

This is my first Interim Report as Chairman of International Biotechnology Trust's (the Company's) Board of Directors and while the last six months have been marked by the ongoing effects of the Covid-19 pandemic, I feel honoured to be a part of a Company and wider sector which has had a positive impact on the fight against the pandemic as well as helping to improve health globally.

On 15 March 2021, the Company's Lead Investment Manager, Carl Harald Janson, decided to step back from his role as Lead Investment Manager of the Company. On behalf of the Board, I would like to thank Carl Harald for the pivotal role he has played in leading the Company over the past seven years and wish him well for the future. Under Carl Harald's leadership, the Company achieved several key milestones including delivering annualised returns of 16% over the duration of his tenure; the introduction of the Company's dividend policy in 2016; moving the Company's significant discount-to-NAV to a premium-to-NAV resulting in growing the Company by issuing shares, and the Company's NAV reaching an all-time high in 2020. The Company wishes Carl Harald well in the next chapter of his career and looks forward to staying in touch with him through his ongoing role as Senior Adviser to SV Health Investors. Kate Bingham represents a team of financially and scientifically trained investment professionals, managing the unquoted investments. Ailsa Craig and Marek Poszepczynski, newly appointed Joint Lead Fund Managers, are talented investment professionals and long-standing core members of the Company's investment team and the Board is confident that they will continue to deliver strong returns for Shareholders.

We are delighted to welcome back Kate Bingham following the six months she spent as Chair of the UK Vaccine Taskforce and congratulate her on all she has achieved in the fight against Covid-19 in the UK. In her absence, Houman Ashrafian, along with five other SV Managing Partners, and with the support of over 50 investment professionals at SV Health Investors have, very capably, looked after the Company's unquoted investments.

For the six months ended 28 February 2021, the NAV per share returned 6.9%. By comparison, the NBI returned 11.5% and the FTSE All-Share Index returned 12.0%. Over the same period, the ordinary share price of the Company returned 9.5%. Although the underperformance against the NBI over the period is a little disappointing, it has to be set in the context of the share price's continued outperformance over the 1, 3 and 5 year periods. All figures are on a sterling-adjusted total return basis, with dividends reinvested.



JIM HORSBURGH | Chairman

## CHAIRMAN'S STATEMENT | continued

### QUOTED PORTFOLIO

The quoted portfolio NAV returned 6.1% for the six months ended 28 February 2021 (gross of management and performance fees). The Investment Manager has continued to identify value creating investment opportunities, focusing on long term growth and avoiding binary events with the aim of reducing volatility in the Company's NAV. Details of the performance of the quoted portfolio is discussed further in the Fund Managers' Review.

### UNQUOTED PORTFOLIO

The Company continues to enjoy success through its access to the unquoted element of the biotechnology and healthcare sectors, a differentiating feature of the Company which allows investors exposure to differentiated returns from quoted markets. This portfolio, which comprises 10.7% of the Company's NAV as at 28 February 2021, provides Shareholders with access to innovative early stage companies. SV Life Sciences Fund VI (SV Fund VI) has a currency-adjusted internal rate of return (IRR) of 23.5% per annum, since the date of the Company's first investment in the fund. During the six months ended 28 February 2021, SV Fund VI made three net distributions totalling £4.7m to the Company and has delivered impressive returns of 26.4%.

The Company has not made any new direct unquoted investments since 2016 when the strategy for the unquoted portfolio changed to investments via unquoted funds rather than direct investments. It is the Board's belief that investing via a fund gives the Company access to a wider opportunity set of unquoted investments, because SV Health Investors has broader relationships, deeper resources and therefore greater profile with the potential pool of investee companies.

### Performance fee

No performance fee has been generated by either the quoted or unquoted portfolio for the period under review.

### Dividends, share premium and share issuances

The Company's dividend policy (approved at the Annual General Meeting) is to make dividend payments equivalent to 4% 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 14.2 pence per share was paid in January 2021. This represents a dividend yield of 3.6% as at 28 February 2021 and an increase of 14.5% on the prior years' dividend. 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 2021. We are pleased to be in a position to offer our Shareholders an increased dividend during this period of extreme uncertainty. Paying the dividend out of capital returns gives the Company's Shareholders a source of income that is not affected by fluctuations in yield from the Company's portfolio companies.

The Company has successfully boosted its NAV through the reissuance from treasury of 2.4m shares with a total value of £19.4m during the six-month period ended 28 February 2021. No shares were repurchased during the reporting period. This new issuance was able to take place because the Company moved into a premium position of 1.2% as at 28 February 2021 from a discount of -1.2% as at 31 August 2020. Since the interim period end, the Company's premium has changed to 0.8% and the Company has issued an additional 341,000 shares. The Board remains committed to the growth of the Company and will continue to issue shares at a premium to the net asset value to satisfy market demand.

### OUTLOOK

The impact of the vaccine roll out is beginning to have a positive effect on economic growth. Slowly, life will become more normal. However, in some areas, the changes we have had in the last two years will be more permanent, for example, the rise in internet commerce and the impact on the 'high street', and the changes to working practices. One thing that we anticipate won't change, is the demand for improved healthcare, better prescription drugs, more efficient medicine delivery systems, innovative treatments and more comfortable care for the sick and elderly. The Company will be looking to invest in these trends.

The Company's investment strategy remains unchanged. The Investment Management team will continue to seek out companies with strong fundamentals that have the ability to deliver strong investor returns over the long term.

The Board remains fully supportive of this investment strategy and has every confidence in the ability of the Joint Lead Investment Managers to continue to deliver on the Company's investment objectives.

**JIM HORSBURGH | Chairman**

23 April 2021

28 February 2021

## FUND MANAGERS' REVIEW | continued



**Ailsa Craig**  
*Joint Lead Fund Manager*

Ailsa joined SV Health in 2006 and has over 10 years healthcare investing experience. Ailsa has a BSc (Hons) in Biology from the University of Manchester. She was awarded the IMC in 2002 and the Securities Institute Diploma in 2007.



**Marek Poszepczynski**  
*Joint Lead Fund Manager*

Marek joined SV Health in 2014, and has over 15 years experience in the life sciences industry. Marek has an MSc in Biochemistry and an MSc in Business Management from the Royal Institute of Technology, Stockholm.



**Kate Bingham**  
*Managing Partner SV*

Kate has 30 years healthcare investing at SV where she is Managing Partner and represents the team of investment professionals managing the unquoted portfolio. In 2020, Kate spent six months as Chair of the UK Vaccine Task Force, reporting to the Prime Minister. On 8 December 2020, the UK started Covid-19 vaccinations – the first Western country to do so.



**Carl Harald Janson**  
*Senior Adviser*

Carl Harald joined SV Health in 2013. Carl Harald qualified as a Medical Doctor and completed a PhD at the Karolinska Institutet, and is a Certified Financial Analyst from the Stockholm School of Economics.

## SUMMARY

SV Health Investors thanks Carl Harald Janson for his contribution throughout his tenure as Lead Fund Manager of the Company and looks forward to working with him in his role as Senior Adviser.

As at 28 February 2021, the Company's NAV amounted to £316.6m, representing a total return of 6.9% on the NAV per share for the six months ended 28 February 2021. By comparison, the NBI increased by 11.5% over the same period. All figures are on a sterling-adjusted total return basis, with dividends reinvested.

For financial reporting purposes, the quoted portfolio represented 89.3% of the NAV (excluding cash and other net assets) as at 28 February 2021, while the unquoted portfolio represented 10.7% of the NAV. For performance measurement

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 Manager, are included within the unquoted portfolio.

By sub-sector, 90.9% of the portfolio was invested in therapeutics, 2.0% in life sciences, tools, diagnostics and services and 7.1% in a venture capital fund, SV Fund VI. The three largest specialty areas within therapeutics were rare diseases (33.1%), oncology (23.6%), and central nervous system diseases (12.0%). SV Fund VI invests in unquoted companies across three sectors – biotechnology, healthcare services and medical devices. Gearing amounted to 2.9% of NAV at the period end. The Company has continued to apply a conservative approach to gearing and makes use of the gearing facility when market conditions are deemed favourable.

## FUND MANAGERS' REVIEW | continued

### QUOTED PORTFOLIO

For the six months ended 28 February 2021, the quoted portfolio returned 6.1% (gross of management and performance fees) on a NAV basis. By comparison, the NBI returned 11.5% and the FTSE All-Share Index returned 12.0%. All figures are on a sterling-adjusted total return basis, with dividends reinvested. No performance fee has been earned for the period under review.

Although we have started to see economic recovery in the last six months, global equity markets continue to experience the lingering effects of the Covid-19 pandemic. Market volatility has been further compounded by geopolitical events such as the November 2020 Presidential election, which saw Biden assume the 46th Presidency of the US, and the withdrawal of the UK from the EU (Brexit) in January 2021.

Kate Bingham, who represents the investment manager of the unquoted portfolio with over 50 dedicated investment professionals, spent six months as Chair of the UK Vaccine Taskforce, reporting to the Prime Minister. On 8 December 2020 the UK started Covid-19 vaccinations – the first Western country to do so. We are incredibly proud of what Kate achieved in that role and the contribution she has made in the fight against the Covid-19 pandemic. Since her appointment, the Company has not invested in companies that create Covid-19 vaccines to avoid a perceived conflict of interest.

Furthermore, the Investment Managers have noted an enthusiastic market response to several early-stage companies launched in recent months, many of which are yet to have revealed any clinical data. This has led to valuations becoming dislocated from company fundamentals. The Investment Managers have continued to approach the whole sector with a valuation focussed, highly selective approach. With many valuations in the smaller cap space looking unsustainable, the Company has an underweight position in this space versus the NBI, and this has also contributed to a relative underperformance over the six-month period.

### Mergers & Acquisitions (M&A)

M&A activity continues to be a key driver of performance for the biotechnology sector and the features that make a company attractive to the Investment Managers are also those that make them attractive to a potential acquirer. During the six-month period ended 28 February 2021, the Company has been well placed to take advantage of this M&A activity to

generate returns for its Shareholders.

In September 2020, Gilead Sciences announced that it had entered a deal to acquire Immunomedics, a leader in next-generation antibody-drug conjugate (ADC) technology committed to helping transform the lives of people with hard-to-treat cancers, for a cash consideration approximately \$21bn, which represented a premium of 108% to the share price. The Company's NAV benefited from this announcement as the Company had 3.7% of its NAV invested in Immunomedics and 5.3% of its NAV invested in Gilead Sciences.

In October 2020, Bristol Myers Squibb announced its intention to acquire MyoKardia, a clinical-stage biopharmaceutical company pioneering a precision medicine approach to discover, develop and commercialise targeted therapies for the treatment of serious cardiovascular diseases, for a cash consideration of \$13.1bn, representing a 61% premium to the share price. At the time of the announcement, the Company had 2.3% of its NAV invested in MyoKardia.

In December 2020, AstraZeneca announced its intention to acquire global biopharmaceutical company Alexion Pharmaceuticals for \$39bn, a 45% premium on the share price. Alexion focuses on the treatment of immune-mediated rare diseases caused by uncontrolled activation of the complement system, a critical part of the immune system. At the time of the announcement the Company held 1.7% of its NAV in Alexion.

In February 2021, Jazz Pharmaceuticals announced its intention to acquire GW Pharmaceuticals, another holding of the Company, for a cash consideration of \$7.2bn. This represented a 50% premium to the acquiree company's share price. GW Pharmaceuticals has established a world leading position in the development of plant-derived cannabinoid therapeutics through its proven drug discovery and development processes, intellectual property portfolio and regulatory and manufacturing expertise. At the time of the announcement, the Company had 0.3% of its NAV invested in GW Pharmaceuticals.

### Positive contributors to the NAV

During the six-month period under review, the acquisitions of Immunomedics and MyoKardia, described in detail above, contributed an increase to the Company's NAV of £10.1m and £5.8m, respectively.

28 February 2021

## FUND MANAGERS' REVIEW | continued

### BEST PERFORMING INVESTMENTS

Contributors to NAV (£'m)	
Immunomedics	10.1
Myokardia	5.8
Halozyme	4.4

Halozyme is a US biotechnology company that licenses its novel drug delivery technology through corporate partnerships. The company's share price appreciated after it reported better than expected income from its partnered drug, Darzalex Faspro. This is a subcutaneous version of the multiple myeloma drug, Darzalex, which is sold by Johnson & Johnson.

### Detractors from NAV

In October 2020, Vertex, an orphan disease company and a global leader in the development of treatments for cystic fibrosis, experienced a sharp decrease in share price following the news that it had discontinued the development of its lead molecule for alpha-1 antitrypsin deficiency.

Regeneron's share price experienced a steady decline over the six-month period, following the rerating of the company earlier in the year. A further decrease then followed when a competitor announced positive data for a potential competitor drug to the company's lead marketed drug, Eylea.

Neurocrine develops treatments for neurological and endocrine-related diseases and disorders. The company's share price decreased resulting from the slowing sales growth of its main pipeline drug, Ingrezza, due to the Covid-19 pandemic.

## UNQUOTED PORTFOLIO

### SV Fund VI

The Company's investment in a venture capital fund, SV Fund VI, continues to be a success and to generate positive returns for the Company with a currency adjusted IRR of 23.5% since the date of the Company's first investment into the fund. During the six-month period under review, SV Fund VI returned 26.4% and made three net distributions totalling £4.7m.

### WORST PERFORMING INVESTMENTS

Detractors from NAV (£'m)	
Vertex	(4.1)
Regeneron	(3.2)
Neurocrine	(3.0)

AeroCare Holdings Inc, a portfolio holding of SV Fund VI, a leading national technology-enabled respiratory and home medical equipment ("HME") distribution platform in the US, was acquired by AdaptHealth Corp. The transaction valued AeroCare at approximately \$2.0bn on a debt-free, cash-free basis, with cash consideration of \$1.1bn and 31 million shares of AdaptHealth common stock, which now forms one of SV Fund VI's quoted holdings. The transaction completed in February 2021.

SV Fund VI's investee companies are 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 draw down to date on the commitment of \$30.0m is \$22.4m, which represents 74.7% of the total committed capital.

### Directly-held unquoted companies and exited with contingent milestones

The fair value gain on the directly-held unquoted portfolio for the six months ended 28 February 2021 was 0.6% (gross of performance and management fees). The Company received three distributions during the year, amounting to £0.3m, as a result of milestones being achieved by Archemix and Ikano Therapeutics and a final liquidation payment received from TopiVert.

The largest contributor to performance for the six months ended 28 February 2021 was KalVista, a holding that is now quoted, but previously formed part of the unquoted portfolio for performance measurement purposes. In February 2021, the Company sold its holding in KalVista for proceeds of £4.5m, with 55% being sold in the market and the remaining being transferred to the Company's quoted portfolio at fair value. As at 28 February 2021, 0.9% of the quoted NAV was represented by the holding in KalVista.

## FUND MANAGERS' REVIEW | continued

### SUMMARY OF UNQUOTED INVESTMENTS

	As at 28 February 2021			As at 31 August 2020		
	Fair value (£'m)	% of NAV	No. of investments	Fair value (£'m)	% of NAV	No. of investments
SV Fund VI	22.5	7.1	25*	21.6	7.6	25
Exited with contingent milestones	9.6	3.0	4	9.9	3.4	5
Directly-held unquoted	2.0	0.6	5	3.8	1.3	6
<b>Total unquoted</b>	<b>34.1</b>	<b>10.7</b>	<b>34</b>	<b>35.3</b>	<b>12.3</b>	<b>36</b>
Previously unquoted, now quoted	2.2	0.7	2	2.8	1.0	3
<b>Total unquoted for performance measurement</b>	<b>36.3</b>	<b>11.4</b>	<b>36</b>	<b>38.1</b>	<b>13.3</b>	<b>39</b>

\* The number of investments within SV Fund VI represents the number of investments into underlying individual portfolio companies. Five of these companies were quoted as at 28 February 2021.

During the reporting period, the Company fully wrote down its investments in Karus Therapeutics and Atopix following decisions made by the companies to suspend their clinical trial programs. The Company's investment in each company was £1.4m and £0.3m at 31 August 2020, respectively.

### OUTLOOK

Ailsa and Marek will continue to manage the Company using a robust bottom-up stock selection process, applying a top-down diversification overlay. They will continue to apply a conservative risk management approach, focusing on innovative biotechnology companies with strong fundamentals addressing unmet medical need.

We are optimistic about the future of the Company and the biotechnology sector more broadly. In our view, there are two main themes that will drive Company and sector performance, namely M&A activity and company valuations. In line with the Company's risk mitigation strategy, the Fund Manager takes a cautious approach to investing in early-stage companies without clinical data where valuations have become frothy. In

contrast, later stage and sales growth companies, including large cap companies (i.e. companies whose valuation is in excess of \$10bn), are broadly considered undervalued and make them prime targets for M&A activity.

Our outlook for the biotech sector remains positive. Innovation remains strong, with a record number of drugs in development in 2020 – a trend which is expected to continue throughout 2021. With an aging global population, the fundamentals of supply and demand within the biotechnology sector remain intact.

Ailsa and Marek are part of a broader team of biotechnology and healthcare sector specialists at SV Health Managers that have deep and broad scientific, medical and financial expertise and the team is well positioned to continue to generate strong investment returns for the Company's Shareholders.

### SV HEALTH MANAGERS LLP

23 April 2021

28 February 2021

# INTERIM MANAGEMENT REPORT AND DIRECTORS' RESPONSIBILITIES STATEMENT

## INTERIM MANAGEMENT REPORT

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal risks and uncertainties for the remaining six months of the financial year are set out in the Chairman's Statement on pages 7 and 8 and the Manager's Report on pages 9 to 12.

The principal and emerging risks facing the Company are substantially unchanged since the date of the Annual Report and Accounts for the year ended 31 August 2020 and continue to be as set out in that report on pages 21 and 22.

Risks faced by the Company include, but are not limited to, strategic/performance risk, investment related risks, operational risks, tax, legal and regulatory risks and political risk.

## RESPONSIBILITIES STATEMENT

In respect of the Interim Report for the six months ended 28 February 2021, we confirm that, to the best of our knowledge:

- the condensed set of Financial Statements contained within have been prepared in accordance with IAS 34 "Interim Financial Reporting" and give a true and fair view

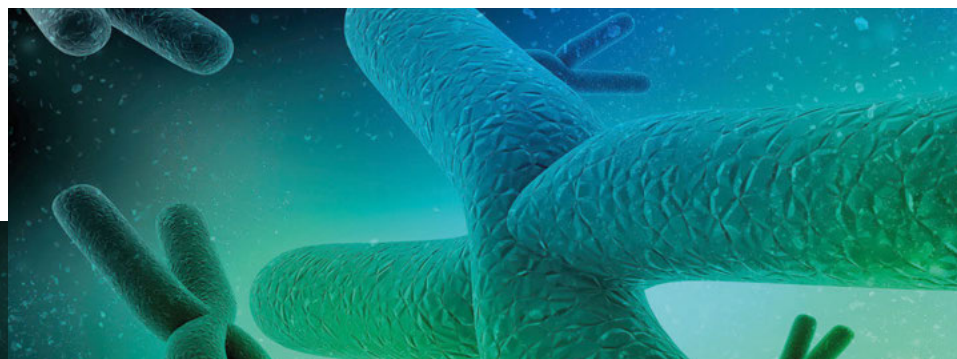
of the assets, liabilities, financial position and profit and loss of the Company as at 28 February 2021 as required by the UK Listing Authority's Disclosure Guidance and Transparency Rule 4.2.4R;

- the Interim Report includes a fair review as required by Disclosure Guidance and Transparency Rule 4.2.7R, of important events that have occurred during the six months to 28 February 2021 and their impact on the condensed set of Financial Statements, and a description of the principal and emerging risks 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 28 February 2021 was approved by the Board and the above Responsibilities Statement has been signed on its behalf by:

**JIM HORSBURGH | Chairman**  
23 April 2021



# STATEMENT OF COMPREHENSIVE INCOME

	Notes	(Unaudited) For the six months ended 28 February 2021			(Unaudited) For the six months ended 29 February 2020			(Audited) For the year ended 31 August 2020		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments held at fair value		—	20,444	20,444	—	9,841	9,841	—	54,127	54,127
Exchange (losses)/ gains on currency balances		—	(65)	(65)	—	589	589	—	1,765	1,765
Income	2	538	—	538	486	—	486	1,134	—	1,134
Expenses										
Management fee		(1,189)	—	(1,189)	(844)	—	(844)	(1,878)	—	(1,878)
Performance fee		—	—	—	—	—	—	—	(243)	(243)
Administrative expenses		(545)	—	(545)	(520)	—	(520)	(1,051)	—	(1,051)
Profit/(loss) before finance costs and tax		(1,196)	20,379	19,183	(878)	10,430	9,552	(1,795)	55,649	53,854
Interest payable		(74)	—	(74)	(203)	—	(203)	(260)	—	(260)
Profit/(loss) on ordinary activities before tax		(1,270)	20,379	19,109	(1,081)	10,430	9,349	(2,055)	55,649	53,594
Taxation		(77)	—	(77)	(71)	—	(71)	(170)	—	(170)
Profit/(loss) for the period attributable to Shareholders		(1,347)	20,379	19,032	(1,152)	10,430	9,278	(2,225)	55,649	53,424
Basic and diluted earnings/(loss) per Ordinary share	3	(3.39)p	51.31p	47.92p	(2.99)p	27.07p	24.08p	(5.79)p	144.70p	138.91p

All revenue and capital items in the above statement derive from continuing operations. The total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with IFRSs as adopted by the 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 and are prepared under guidance published by the AIC.

The notes on pages 18 to 21 form part of these Financial Statements.

28 February 2021

## STATEMENT OF CHANGES IN EQUITY

For the six months ended 28 February 2021 (Unaudited)	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 2020	10,335	20,434	31,482	262,627	(40,981)	283,897
<b>Total Comprehensive Income:</b>						
Profit/(loss) for the period	—	—	—	20,379	(1,347)	19,032
<b>Transactions with owners, recorded directly to equity:</b>						
Dividends paid in the period	—	—	—	(5,687)	—	(5,687)
Ordinary shares issued from treasury	—	7,819	—	11,537	—	19,356
Balance at 28 February 2021	10,335	28,253	31,482	288,856	(42,328)	316,598

For the six months ended 29 February 2020 (Unaudited)	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
<b>Total Comprehensive Income:</b>						
Profit/(loss) for the period	—	—	—	10,430	(1,152)	9,278
<b>Transactions with owners, recorded directly to equity:</b>						
Dividends 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

For the year ended 31 August 2020 (Audited)	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
<b>Total Comprehensive Income:</b>						
Profit/(loss) for the year	—	—	—	55,649	(2,225)	53,424
<b>Transactions with owners, recorded directly to equity:</b>						
Dividends paid in the year	—	—	—	(9,547)	—	(9,547)
Ordinary shares issued from treasury	—	441	—	1,131	—	1,572
Ordinary shares bought back into treasury	—	—	—	(1,131)	—	(1,131)
Balance at 31 August 2020	10,335	20,434	31,482	262,627	(40,981)	283,897

The notes on pages 18 to 21 form part of these Financial Statements.

## BALANCE SHEET | as at 28 February 2021

	Notes	(Unaudited) At 28 February 2021 £'000	(Unaudited) At 29 February 2020 £'000	(Audited) At 31 August 2020 £'000
<b>Non-current assets</b>				
Investments held at fair value through profit or loss		321,573	234,980	302,223
		321,573	234,980	302,223
<b>Current assets</b>				
Receivables		5,218	4,844	161
Cash and cash equivalents		—	8,014	324
		5,218	12,858	485
<b>Total assets</b>		<b>326,791</b>	<b>247,838</b>	<b>302,708</b>
<b>Current liabilities</b>				
Borrowings		(9,134)	(407)	(18,096)
Payables		(1,059)	(3,179)	(715)
		(10,193)	(3,586)	(18,811)
<b>Net assets</b>		<b>316,598</b>	<b>244,252</b>	<b>283,897</b>
<b>Equity attributable to equity holders</b>				
Called up share capital		10,335	10,335	10,335
Share premium account		28,253	20,207	20,434
Capital redemption reserve		31,482	31,482	31,482
Capital reserves	5	288,856	222,136	262,627
Revenue reserve		(42,328)	(39,908)	(40,981)
<b>Total equity</b>		<b>316,598</b>	<b>244,252</b>	<b>283,897</b>
NAV per Ordinary share (pence)	6	775.73p	635.64p	738.61p

The notes on pages 18 to 21 form part of these Financial Statements.

International Biotechnology Trust plc  
Company Number 2892872

28 February 2021

## CASH FLOW STATEMENT

	(Unaudited) For the six months ended 28 February 2021 £'000	(Unaudited) For the six months ended 29 February 2020 £'000	(Audited) For the year ended 31 August 2020 £'000
<b>Cash flows from operating activities</b>			
Profit before tax	19,109	9,349	53,594
Adjustments for:			
(Increase)/decrease in investments	(19,350)	2,380	(64,863)
(Increase)/decrease in receivables	(5,057)	(2,228)	2,455
Increase/(decrease) in payables	344	1,896	(568)
Taxation	(77)	(71)	(170)
<b>Net cash (outflow)/inflow generated from operating activities</b>	<b>(5,031)</b>	<b>11,326</b>	<b>(9,552)</b>
<b>Cash flows generated/(used) in financing activities</b>			
Ordinary shares bought back into treasury	—	(805)	(1,131)
Ordinary shares issued from treasury	19,356	981	1,572
Dividends paid	(5,687)	(4,781)	(9,547)
<b>Net cash generated/(used) in financing activities</b>	<b>13,669</b>	<b>(4,605)</b>	<b>(9,106)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>8,638</b>	<b>6,721</b>	<b>(18,658)</b>
Cash and cash equivalents at beginning of period	(17,772)	886	886
Cash and cash equivalents at period end	(9,134)	7,607	(17,772)

The notes on pages 18 to 21 form part of these Financial Statements.

# NOTES TO THE FINANCIAL STATEMENTS | as at 28 February 2021

## 1. ACCOUNTING POLICIES

The Financial Statements have 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 2020. Where presentational guidance set out in the Statement of Recommended Practice (the SORP) for investment trusts issued by the Association of Investment Companies in October 2019 is inconsistent with the requirements of IFRS, the Financial Statements have been prepared on a basis compliant with the recommendations of the SORP.

The interim information for each of the six month periods ended 28 February 2021 and 29 February 2020 comprises non-statutory accounts within the meaning of Sections 434 - 436 of the Companies Act 2006. The financial information for the year ended 31 August 2020 has been extracted from published accounts that have 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 Financial Statements for the six months ended 28 February 2021. Considering the impact of Covid-19 and the continuation vote to take place in December 2021, the Directors have reviewed the likely operational costs and cashflows for the Company for the 12 months from the date of this Half Yearly 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 Financial Statements 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 Company's principal and emerging risks remained unchanged to those described in the Annual Report for the year ended 31 August 2020. These include strategic/performance risk, investment related risks, operational risks, tax, legal and regulatory risks and political risk. These risks, and the way in which they are managed, are described in more detail under the heading *Principal and emerging risks* within the Strategic Report in the Company's Annual Report for the year ended 31 August 2020.

## 2. INCOME

	(Unaudited) For the six months ended 28 February 2021 £'000	(Unaudited) For the six months ended 29 February 2020 £'000	(Audited) For the year ended 31 August 2020 £'000
Revenue:			
Income from investments held at fair value through profit or loss:			
Unfranked dividends	538	481	1,128
Other income:			
Bank interest	—	5	6
	538	486	1,134

28 February 2021

## NOTES TO THE FINANCIAL STATEMENTS | continued

### 3. NET EARNINGS/(LOSSES) PER ORDINARY SHARE

	(Unaudited) For the six months ended 28 February 2021	(Unaudited) For the six months ended 29 February 2020	(Audited) For the year ended 31 August 2020
Net revenue loss (£'000)	(1,347)	(1,152)	(2,225)
Net capital profit (£'000)	20,379	10,430	55,649
	19,032	9,278	53,424
Weighted average number of Ordinary shares in issue*	39,718,111	38,530,405	38,458,263
Revenue loss per Ordinary share	(3.39)p	(2.99)p	(5.79)p
Capital profit per Ordinary share	51.31p	27.07p	144.70p
Total earnings per Ordinary share	47.92p	24.08p	138.91p

\*Excludes those held in treasury (28 February 2021: 529,846; 31 August 2020: 2,905,846; 29 February 2020: 2,916,476).

### 4. INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

The Company's portfolio of investments, comprising investments in companies and any derivatives, are carried in the balance sheet at fair value. Other financial instruments held by the Company comprise amounts due to or from brokers, dividends and interest receivable, accruals, cash and drawings on the credit facility. For these instruments, the balance sheet amount is a reasonable approximation of fair value. The recognition and measurement policies for financial instruments measured at fair value have not changed from those set out in the statutory accounts of the Company for the year ended 31 August 2020.

The investments in the Company's portfolio are categorised into a hierarchy comprising the following three levels:

Level 1 - valued using quoted prices in active markets.

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted market prices included within Level 1.

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset.

At 28 February 2021, the Company's investment portfolio and derivative financial instruments were categorised as follows:

	(Unaudited) At 28 February 2021 £'000	(Unaudited) At 29 February 2020 £'000	(Audited) At 31 August 2020 £'000
Level 1	287,482	200,089	266,947
Level 2	—	—	—
Level 3	34,091	34,891	35,276
Total	321,573	234,980	302,223

There have been no transfers between Levels 1, 2 or 3 during the period (period ended 29 February 2020 and year ended 31 August 2020: nil).

## NOTES TO THE FINANCIAL STATEMENTS | continued

### 5. 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 28 February 2021 £'000	(Unaudited) At 29 February 2020 £'000	(Audited) At 31 August 2020 £'000
Capital reserve – on investments sold	264,131	204,718	212,762
Capital reserve – on investments held	24,725	17,418	49,865
	288,856	222,136	262,627

### 6. NAV PER ORDINARY SHARE

	(Unaudited) At 28 February 2021	(Unaudited) At 29 February 2020	(Audited) At 31 August 2020
Net assets attributable to Ordinary Shareholders (£'000)	316,598	244,252	283,897
Ordinary shares in issue at end of period*	40,812,817	38,426,187	38,436,817
NAV per Ordinary share	775.73p	635.64p	738.61p

\*Excludes those held in treasury (28 February 2021: 529,846; 31 August 2020: 2,905,846; 29 February 2020: 2,916,476).

### 7. RELATED PARTY TRANSACTIONS

There have been no related party transactions that have materially affected the financial position or the performance of the Company during the six month period to 28 February 2021.

#### a) Transactions with the Investment Manager

Details of the management fee arrangement are given in the Directors' Report on page 31 of the Annual Report for the year ended 31 August 2020. Following the investment into the SV Fund VI venture capital fund in 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.

Fees paid to the Investment Manager	(Unaudited) At 28 February 2021	(Unaudited) At 29 February 2020	(Audited) At 31 August 2020
Management fee paid through SV Fund VI	193,423	225,806	416,522
Management fee paid by the Company directly to the Fund Manager	1,189,500	844,521	1,878,538
Total	1,382,923	1,070,327	2,295,060

No performance fee has been accrued as at 28 February 2021 (29 February 2020: £nil; 31 August 2020: £243,000).

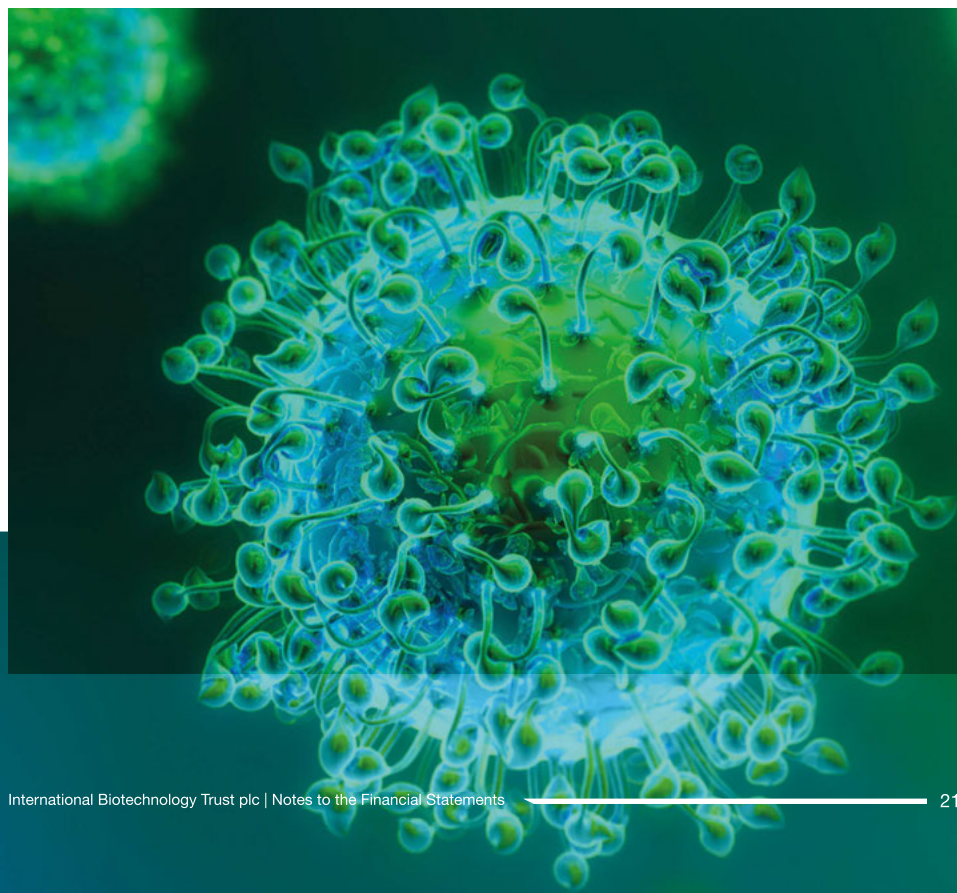
## NOTES TO THE FINANCIAL STATEMENTS | continued

### b) Transactions with Key Management Personnel

The Directors of the Company are key management personnel. The total remuneration payable to Directors in respect of the six months ended 28 February 2021 was £91,100 (29 February 2020: £66,500), of which £43,750 (29 February 2020: £32,250) was outstanding at the period end.

### 8. EVENTS AFTER THE REPORTING PERIOD

The Directors have evaluated the period since the interim date and have not noted any events which have not been reflected in the financial statements.



## GLOSSARY OF TERMS

**Administrator** – the administrator is HSBC Bank plc to which the Company has delegated certain trade processing, valuation and middle office tasks and systems.

**AIC** – Association of Investment Companies, the trade body for investment companies.

**AIFMD** – Alternative Investment Fund Managers Directive. Issued by the European Parliament in 2012 and 2013, the Directive requires that all investment vehicles (AIFs) in the European Union, including investment trusts, appoint a Depositary and an Alternative Investment Fund Manager (AIFM). The Board remains responsible, however, for all aspects of the Company's strategy, operations and compliance with regulations. The Company's AIFM is SV Health Managers LLP.

**APM(s)** – Alternative Performance Measures (please refer to pages 24 and 25).

**Benchmark** – the benchmark is the NASDAQ Biotechnology Index (NBI) (total return in sterling with dividends reinvested).

**Company** – International Biotechnology Trust plc.

**Custodian** – the Custodian is HSBC Bank plc. The Custodian is a financial institution responsible for safeguarding the securities and cash assets of the Company, as well as the income arising therefrom, through provision of custodial, settlement and associated services.

**Depositary** – the Depositary is HSBC Bank plc. Under AIFMD rules, the Company must have a Depositary whose duties in respect of investments and cash include safekeeping; verification of ownership and valuation; and cash monitoring. Under the AIFMD rules, the Depositary has strict liability for the loss of the Company's financial assets in respect of which it has safekeeping duties.

**Discount/Premium** – the share price of an investment trust is derived from buyers and sellers trading their shares on the London Stock Exchange and is not always the same as the NAV per share. If the share price is lower than the NAV per share, the shares are said to be trading 'at a discount'. If the share price is above the NAV per share, the shares are said to be trading 'at a premium'.

**Distributable reserves** – reserves distributable by way of dividend or for the purpose of buying back Ordinary share capital.

**Fund Manager and Alternative Investment Fund Manager (AIFM)** – SV Health Managers LLP. The responsibilities and remuneration of the Fund Manager are set out in the Directors' Report and Note 4 to the Financial Statements, included in the 31 August 2020 Annual Report.

**Gearing** – the Company can borrow money to invest in additional investments for its portfolio. The effect of the borrowing on the Shareholders' assets is called 'gearing'. If the Company's assets grow, the Shareholders' assets grow proportionately more because the debt remains the same. But if the value of the Company's assets falls, the situation is reversed. Gearing can therefore enhance performance in rising markets but can adversely impact performance in falling markets. The maximum permitted level of gearing, which is set by the Board, is 30% of the Company's NAV, as described in the Strategic Report and the Directors' Report, included in the 31 August 2020 Annual Report. For detailed calculations, please refer to the APMs on pages 24 and 25.

**Independent Auditor** – PricewaterhouseCoopers LLP.

**Joint Lead Investment Managers** – Ailsa Craig and Marek Poszepczynski, employees of the Fund Manager with overall management responsibility for the total portfolio.

**Management fee** – the Fund Manager is entitled to a management fee payable monthly at the rate of 0.9% per annum of the Company's NAV.

**Market capitalisation** – the stock market quoted price of the Company's shares, multiplied by the number of shares in issue. If the Company's shares trade at a discount to NAV, the market capitalisation will be lower than the NAV.

**Net Asset Value (NAV)** – the assets less the liabilities of the Company, as set out in the Balance Sheet, all valued in accordance with the Company's accounting policies as described in Note 1 of the 31 August 2020 Annual Report.

## GLOSSARY OF TERMS | continued

**Non-executive Director** – a Director who has a letter of appointment, rather than a contract of employment, with the Company. The Company does not have any executive Directors.

**Ongoing charges** – ongoing charges are all operating costs expected to be regularly incurred and that are payable by the Company. Ongoing charges are calculated in accordance with the Association of Investment Companies (the 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. Research costs under MiFID II borne by the Company is included in the ongoing charges calculation.

**Performance fee** – the Fund Manager is entitled to a performance fee which is calculated as follows:

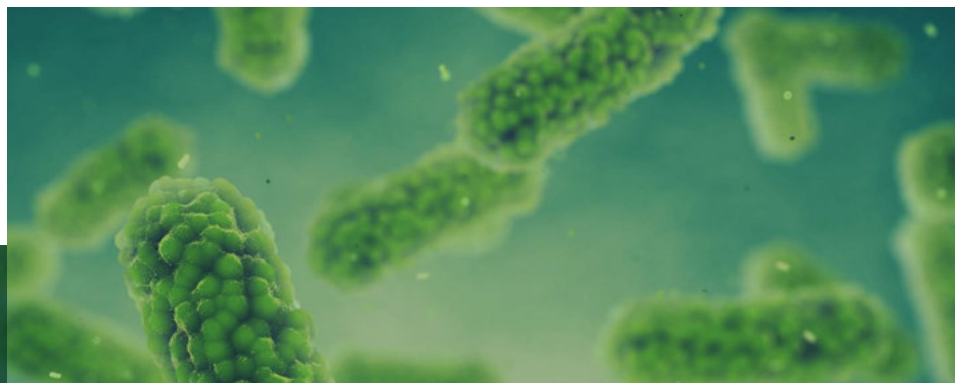
- The fee on the quoted portfolio is 10% of relative outperformance above the sterling-adjusted NBI plus a 0.5% hurdle
- The fee on the unquoted pool, excluding the investment in SV Fund VI, is 20% of net realised gains, taking into account any unrealised losses but not unrealised gains

The payment of the performance fee is subject to the following limits:

- The maximum performance fee in any one year is 2% of average net assets; and
- Any underperformance of the quoted portfolio against the benchmark is carried forward for the current financial period plus two succeeding periods. Performance fees in excess of the performance fee cap are carried forward for the current financial period plus two succeeding periods and being offset against any subsequent underperformance before being paid out.

**Total return** – the total return is the return to Shareholders after reinvesting the net dividend on the date that the share price goes ex-dividend.

**UK Code of Corporate Governance (UK Code)** – the standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with Shareholders that all companies with a Premium Listing on the London Stock Exchange are required to report on in their annual report and accounts.



## ALTERNATIVE PERFORMANCE MEASURES (APMs)

The Board uses the following APMs to review the performance of the Company (listed in alphabetical order):

### Discount/Premium

The Company's share price is not always the same as the NAV per share. If the share price is lower than the NAV per share, the shares are said to be trading 'at a discount'. If the share price is above the NAV per share, the shares are said to be trading 'at a premium'.

		As at 28 February 2021	As at 29 February 2020	As at 31 August 2020
NAV per share (pence)	a	775.7	635.6	738.6
Share price (pence)	b	785.0	540.0	730.0
<b>Premium/(discount)</b>	<b>(b ÷ a) - 1</b>	<b>1.2%</b>	<b>(15.0%)</b>	<b>(1.2%)</b>

### Gearing

Gearing for this purpose is defined as borrowings used for investment purposes, less cash, expressed as a percentage of net assets.

		As at 28 February 2021	As at 29 February 2020	As at 31 August 2020
Borrowings used for investment purposes including cash (£'000)	a	9,134	—	17,772
Net assets (£'000)	b	316,598	244,252	283,897
<b>Gearing/(cash)</b>	<b>a ÷ b</b>	<b>2.9%</b>	<b>—</b>	<b>6.3%</b>

### Ongoing charges

Ongoing charges are calculated in accordance with the AIC's recommended methodology using the charges for the current year and the average NAV during the year.

		Six months ended 28 February 2021	Six months ended 29 February 2020	Year ended 31 August 2020
Management fee - Company		1,189	844	1,878
Management fee - SV Fund VI		193	226	417
Administrative expenses		545	520	1,051
<b>Total ongoing expenses</b>		<b>1,927</b>	<b>1,590</b>	<b>3,346</b>
<b>Total ongoing expenses annualised</b>	a	<b>3,854</b>	<b>3,180</b>	<b>3,346</b>
<b>NAV (Average daily)</b>	b	<b>319,871</b>	<b>241,594</b>	<b>258,792</b>
<b>Ongoing Charges (expressed as %)</b>	<b>a ÷ b</b>	<b>1.2%</b>	<b>1.3%</b>	<b>1.3%</b>

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## APMs | continued

### Total return

The total return is the return to Shareholders after reinvesting the net dividend on the date that the share price goes ex-dividend.

#### a) NAV total return

		Six months ended 28 February 2021	Six months ended 29 February 2020	Year ended 31 August 2020
Opening NAV per share	a	738.6	623.9	623.9
Closing NAV per share	b	775.7	635.6	738.6
Dividend adjustment factor*	c	1.0183	1.0195	1.0336
<b>Adjusted closing NAV per share</b>	<b>d = b x c</b>	<b>789.9</b>	<b>648.0</b>	<b>763.4</b>
<b>Total return</b>	<b>(d ÷ a) - 1</b>	<b>6.9%</b>	<b>3.9%</b>	<b>22.4%</b>

\* The dividend adjustment factor is calculated on the assumption that the dividends paid by the Company during the year were reinvested into shares of the Company at the cum income NAV per share/share price, as appropriate, at the ex-dividend date.

NAV total return is analysed further into its components and sub-components, namely quoted portfolio total return, SV Fund VI total return and directly-held unquoted portfolio total return, as discussed in the Chairman's Statement and Fund Managers' Review. The calculations for these components of total return are based on geometric algorithms taking into account individual investment's pricing movements, acquisitions and disposals, the dividend adjustment factor, fees and administration expenses incurred by the Company.

#### b) Share price total return

		Six months ended 28 February 2021	Six months ended 29 February 2020	Year ended 31 August 2020
Opening price per share	a	730.0	636.0	636.0
Closing price per share	b	785.0	540.0	730.0
Dividend adjustment factor*	c	1.0181	1.0230	1.0340
<b>Adjusted closing price per share</b>	<b>d = b x c</b>	<b>799.2</b>	<b>552.4</b>	<b>754.8</b>
<b>Total return</b>	<b>(d ÷ a) - 1</b>	<b>9.5%</b>	<b>(13.1%)</b>	<b>18.7%</b>

\* The dividend adjustment factor is calculated on the assumption that the dividends paid by the Company during the year were reinvested into shares of the Company at the cum income NAV per share/share price, as appropriate, at the ex-dividend date.

## PORTFOLIO HOLDINGS

PORTFOLIO HOLDINGS   continued						
			As at 28 February 2021		As at 31 August 2020	
Investment	Therapeutic split	Geographic location	£'000	% of NAV	£'000	% of NAV
1 Horizon Therapeutics	Rare diseases	United States	25,537	8.1%	21,807	7.7%
2 SV Fund VI*	Venture Fund	United States	22,454	7.1%	21,626	7.6%
3 Gilead Sciences	Infectious diseases	United States	17,027	5.4%	15,115	5.3%
4 Regeneron Pharmaceuticals	Ophthalmology	United States	14,097	4.5%	5,315	1.9%
5 Exelixis	Oncology	United States	13,734	4.3%	8,738	3.1%
6 PTC Therapeutics	Rare diseases	United States	13,600	4.3%	11,036	3.9%
7 Vertex Pharmaceuticals	Rare diseases	United States	12,948	4.1%	13,497	4.8%
8 Amgen Inc	Oncology	United States	11,573	3.7%	8,317	2.9%
9 Alnylam Pharmaceuticals	Rare diseases	United States	11,464	3.6%	3,596	1.3%
10 BioMarin Pharmaceutical	Rare diseases	United States	11,251	3.6%	14,404	5.1%
11 Alexion Pharmaceuticals	Rare diseases	United States	10,831	3.4%	7,525	2.7%
12 Chemocentryx	Auto-immune	United States	10,769	3.4%	8,923	3.1%
13 Biohaven Pharmaceuticals	Central nervous system	United States	10,692	3.4%	3,948	1.4%
14 Mirati Therapeutics	Oncology	United States	9,640	3.0%	4,901	1.7%
15 Biogen Inc	Central nervous system	United States	9,447	3.0%	8,851	3.1%
16 Ionis Pharmaceuticals	Rare diseases	United States	9,119	2.9%	1,619	0.6%
17 Acceleron Pharma	Oncology	United States	8,538	2.7%	5,166	1.8%
18 Neurocrine Biosciences	Central nervous system	United States	8,366	2.6%	9,198	3.2%
19 Ikano Therapeutics*	Auto-immune	United States	7,255	2.3%	7,097	2.5%
20 Seagen	Oncology	United States	7,081	2.2%	6,554	2.3%
21 Turning Point Therapeutics	Oncology	United States	6,858	2.2%	2,040	0.7%
22 Acadia Pharmaceuticals	Central nervous system	United States	6,182	2.0%	13,732	4.8%
23 Illumina	Diagnostics	United States	5,113	1.6%	—	—
24 Incyte Genomics	Oncology	United States	4,385	1.4%	5,613	2.0%
25 Zealand Pharma	Metabolic	Europe	3,492	1.1%	4,356	1.5%
26 KalVista Pharmaceuticals	Rare diseases	United States	2,987	0.9%	1,733	0.6%
27 Aurinia Pharmaceuticals	Auto-immune	United States	2,987	0.9%	1,273	0.4%
28 Protagonist Therapeutics	Haematology	United States	2,561	0.8%	2,543	0.9%
29 Sutro Biopharma	Oncology	United States	2,203	0.7%	1,042	0.4%
30 Intra Cellular Therapies	Central nervous system	United States	2,014	0.6%	313	0.1%

\*Unquoted holding

28 February 2021

# PORTFOLIO HOLDINGS | continued

PORTFOLIO HOLDINGS   continued							
			As at 28 February 2021			As at 31 August 2020	
Investment	Therapeutic split	Geographic location	£'000	% of NAV	£'000	% of NAV	
1 CRISPR Therapeutics	Oncology	United States	1,970	0.6%	1,534	0.5%	
32 Sarepta Therapeutics	Rare diseases	United States	1,961	0.6%	3,445	1.2%	
33 Argenx	Rare diseases	Europe	1,880	0.6%	3,510	1.2%	
34 United Therapeutics	Rare diseases	United States	1,794	0.6%	—	—	
35 Convergence*	Auto-immune	United States	1,768	0.6%	1,815	0.6%	
6 Evotec	Other	Europe	1,747	0.6%	1,658	0.6%	
37 Deciphera Pharmaceuticals	Oncology	United States	1,565	0.5%	571	0.2%	
38 Iovance Biotherapeutics	Oncology	United States	1,544	0.5%	—	—	
39 Ascendis Pharma	Rare diseases	United States	1,527	0.5%	1,528	0.5%	
40 NCP Holdings*	Healthcare services	United States	1,452	0.5%	1,358	0.5%	
41 Blueprint Medicines	Oncology	United States	1,369	0.4%	694	0.2%	
42 Allakos	Auto-immune	United States	1,359	0.4%	—	—	
43 Sage Therapeutics	Central nervous system	United States	1,307	0.4%	1,473	0.5%	
44 Oric Pharmaceuticals	Oncology	United States	1,221	0.4%	—	—	
45 Genmab	Oncology	Europe	1,213	0.4%	10,958	3.9%	
46 Arena Pharmaceuticals	Auto-immune	United States	1,201	0.4%	859	0.3%	
47 Halozyne Therapeutics	Other	United States	1,121	0.4%	6,661	2.3%	
48 Nektar Therapeutics	Oncology	United States	1,085	0.3%	968	0.3%	
49 Exact Sciences	Diagnostics	United States	1,041	0.3%	601	0.2%	
50 Mersana Therapeutics	Oncology	United States	934	0.3%	—	—	
51 Galapagos	Auto-immune	Europe	888	0.3%	—	—	
52 Insmed Inc	Rare diseases	United States	859	0.3%	707	0.2%	
53 Amicus Therapeutics	Rare diseases	United States	828	0.3%	1,032	0.4%	
54 Agios Pharmaceuticals	Oncology	United States	731	0.2%	659	0.2%	
55 UniQure	Haematology	Europe	722	0.2%	837	0.3%	
56 Fibrogen Inc	Haematology	United States	705	0.2%	660	0.2%	
57 Axsome Therapeutics	Central nervous system	United States	674	0.2%	—	—	
58 Global Blood Therapeutics	Rare diseases	United States	664	0.2%	1,022	0.4%	
59 Travere Therapeutics	Rare diseases	United States	439	0.1%	—	—	
60 Autifony Therapeutics*	Infectious diseases	United Kingdom	363	0.1%	773	0.2%	

\*Unquoted holding

## PORTFOLIO HOLDINGS

PORTFOLIO HOLDINGS   continued							
			As at 28 February 2021		As at 31 August 2020		
	Investment	Therapeutic split	Geographic location	£'000	% of NAV	£'000	% of NAV
61	Spinal Kinetics*	Medical Devices	United States	357	0.1%	335	0.1%
62	Bluebird Bio	Haematology	United States	245	0.1%	487	0.2%
63	Archemix*	Oncology	United States	215	0.1%	351	0.1%
64	AnaptysBio	Auto-immune	United States	204	0.1%	129	0.0%
65	Esperion Therapeutics	Cardiovascular	United States	186	0.1%	256	0.1%
66	TopiVert*	Ophthalmology	United Kingdom	131	0.0%	143	0.1%
67	EBR Systems*	Cardiovascular	United States	67	0.0%	69	0.0%
68	Cell Medica*	Oncology	United Kingdom	31	0.0%	33	0.0%
Investments no longer held in the portfolio as at 28 February 2021				—	—	37,219	13.4%
<b>TOTAL</b>				<b>321,573</b>	<b>101.7%</b>	<b>302,223</b>	<b>106.3%</b>

\*Unquoted holding



## 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 No: GB0004559349; EPIC Code: IBT). The Company is registered in England and Wales with a company number of 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 AGM at two-yearly intervals. Accordingly, a proposal will be put forward at the next AGM which will be held in December 2021.

### Share Price and NAV Information

The Company's shares are listed on the London Stock Exchange. 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 Association of Investment Companies (the AIC). Further information on the AIC can be found at its website, [www.theaic.co.uk](http://www.theaic.co.uk).

### Financial Calendar

January	Payment of first interim dividend
26 April	Interim Results announced
August	Payment of second interim dividend
31 August	Year End
October	Annual Results announced
December	Annual General Meeting

### Shares in Issue

As at 22 April 2021, the Company had 41,342,663 Ordinary shares of 25p each in issue which included 188,846 Ordinary shares of 25p each held in treasury.

### Website

The Company's website is located at [www.ibtplc.com](http://www.ibtplc.com). The site provides share price and NAV information as well as details of the Board of Directors and SV Health Managers LLP, information on investee companies, monthly fact sheets, the latest published Annual and Half Yearly Financial Statements and access to recent market announcements.



## DIRECTORS AND ADVISERS

### DIRECTORS

Jim Horsburgh (Chairman)

Dr Véronique Bouchet (Senior Independent Director)

Kate Cornish-Bowden

Caroline Gulliver (Chair of the Audit Committee)

Patrick Magee

### ADVISERS

#### Fund Manager and AIFM

SV Health Managers LLP

71 Kingsway, London, WC2B 6ST

Telephone: 020 7421 7070

#### Company Secretary and Registered Office

Link Company Matters Limited

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Email: [CompanyMatters@linkgroup.co.uk](mailto:CompanyMatters@linkgroup.co.uk)

#### Administrator, Custodian and Depositary

HSBC Bank plc

8 Canada Square, London E14 5HQ

#### Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

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

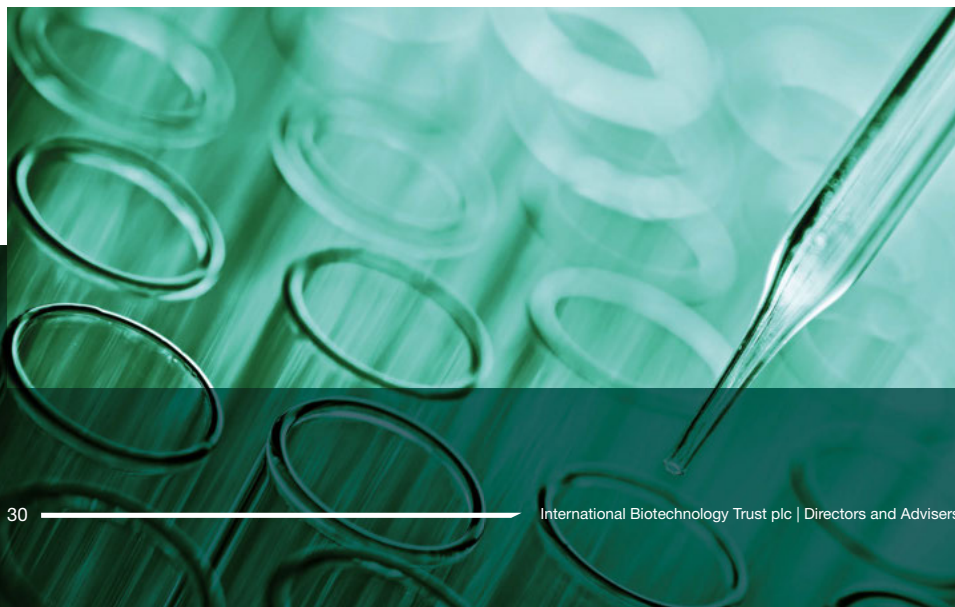
Lancing, West Sussex BN99 6DA

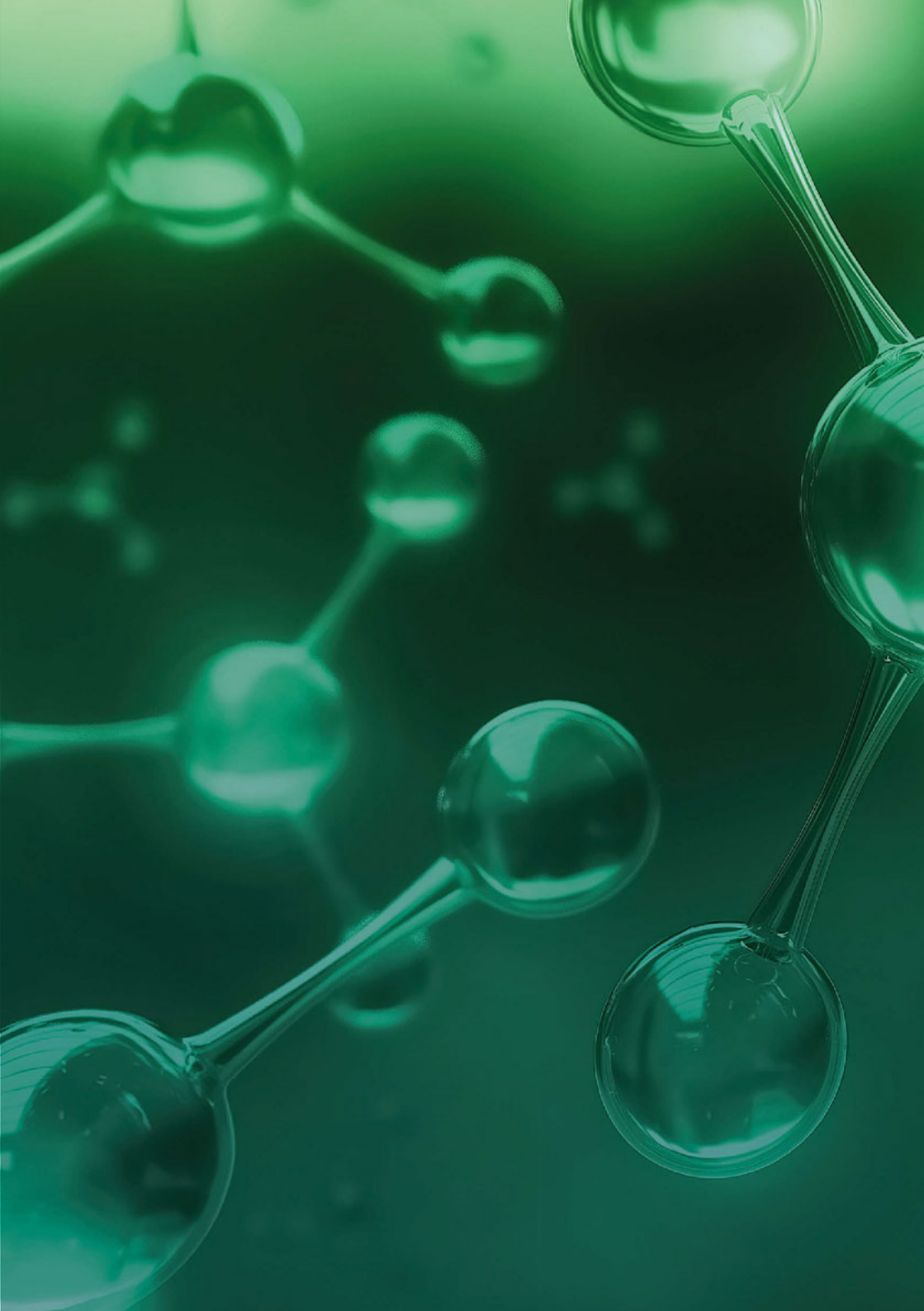
Shareholder Helpline: 0371 384 2624\*

Overseas Helpline: +44 121 415 7047

Website: [www.shareview.co.uk](http://www.shareview.co.uk)

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







# INTERIM REPORT

28 February 2021

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