

# October 2023 Factsheet



## Why Biotech Investment

Investing in biotech is a way to support a highly innovative sector that is addressing high unmet medical needs. The pace of innovation is increasing, as is demand for biotech's products, and this leads to a dynamic, growth sector that offers investors the potential opportunity for good returns while simultaneously creating a positive social impact.

## Investment Objective & Policy

The investment objective of International Biotechnology Trust plc (the "Company") is to seek to achieve long-term capital growth by investing primarily in biotech and other life sciences companies that are either quoted or unquoted and possess the potential for high growth. The Company invests in companies whose shares are considered to have good prospects, with experienced management and strong potential upside through the development and/or commercialisation of a product, device or enabling technology.

- Driven by strong fundamentals of the biotech sector.
- Access to a broad spectrum of quoted and unquoted investments in the biotech sector.
- Provides investors exposure to both potential growth and a competitive yield.
- Stocks selected on merit with consideration given to portfolio diversification.
- Scientifically and financially experienced Investment Managers with access to specialists at SV Health.
- Invested in companies at the cutting edge of biotech innovation.

\*Excludes 24 companies held by the unquoted funds.

\*\*Active Share is a measure of how much the weightings of a fund's holdings differ from those of the fund's benchmark index. The Company's benchmark index is the NASDAQ Biotechnology Index (NBI).

## Fund Facts and Characteristics

Launch date	6 May 1994
Net assets	£238.4m
Net assets per share	609.9p
Share price	560.0p
Value of unquoted investments	£25.9m
(Gearing)/cash balance	(15.9)%
Number of portfolio companies*	76*
Portfolio Turnover p.a.	126.6%
Active Share**	62.3%
Shares outstanding	39,093,607
Ex-div dates	December 2023
Dividend policy	4% of NAV p.a. bi-annually
Ongoing costs, including 0.9% management fee and excluding performance fees, are	1.4% of NAV
Performance Fee:	See page 35 of the Annual Report 2022
Continuation vote:	At AGM in 2023; every two years
Year/Interim End:	31 August / 28 February

## Performance

5 year performance %



Calendar Year Performance	YTD	2022	2021	2020	2019	2018
NAV per share	-13.3%	0.6%	-4.2%	29.8%	19.9%	-4.9%
Share price	-18.9%	-1.5%	-5.7%	36.1%	14.4%	-2.5%
NBI	-12.1%	0.6%	-0.2%	23.2%	21.1%	-3.3%
FTSE All Share Index	0.0%	0.2%	16.7%	-9.0%	19.7%	-9.5%

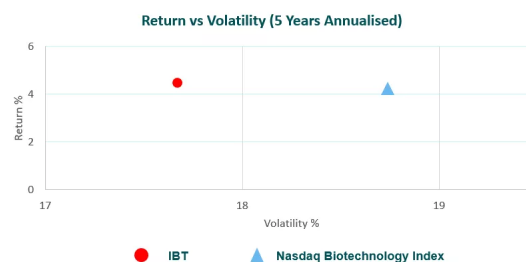
Discrete Annual Performance	Oct 22- Oct 23	Oct 21- Oct 22	Oct 20- Oct 21	Oct 19- Oct 20	Oct 18- Oct 19
NAV per share	-8.4%	-5.7%	2.2%	33.9%	3.2%
Share price	-10.2%	-4.8%	-5.6%	34.7%	6.8%
NBI	-14.3%	-1.1%	16.0%	22.3%	2.0%
FTSE All-Share Index	5.7%	-2.9%	35.3%	-18.6%	6.7%

## Total Return

Total Return	1 M	1 YR	3 YR	5 YR
NAV per share	-7.0%	-8.4%	-11.8%	21.9%
Share price	-11.3%	-10.2%	-19.3%	16.1%
NBI	-6.1%	-14.3%	-1.7%	22.6%
FTSE All-Share Index	-4.1%	5.7%	38.9%	20.7%

## Return vs Volatility

5 Years Annualised Chart (%)



## Share Codes

Listing	London Stock Exchange
Reuters / Bloomberg	IBT.L / IBT.LN
Sedol	0455934 GB
ISIN	GB0004559349

Source: Bloomberg, mid-price (share price), quoted in sterling and SV Health Managers LLP. Past performance is not a guide to future performance. Note: All performance data are quoted net of all costs to the Company.

# Investment Manager Review

In October 2023, the Trust's NAV per share returned -7.0% (GBP) while the NASDAQ Biotechnology Index (NBI) returned -6.1% (GBP). The FTSE All-Share Index returned -4.1% (GBP) and IBT's share price returned -11.3% (GBP).

*Source: Bloomberg and SV Health Managers LLP. Past performance is not a guide to future performance. Unless where stated otherwise, performance is shown net of fees and expenses and includes reinvestment dividend and capital gain distributions.*

## Quoted Portfolio

The main positive contributors to the NAV in the month were Mirati, Gilead and Erasca. Bristol Myers agreed to acquire Mirati, a targeted cancer company, for up to \$5.8BN, a c50% premium to the 30-day average share price for the stock. The company's main product is Krazati which was approved by the FDA in December 2022 to treat a subset of lung cancer patients.

Gilead shares rose on the back of disappointing data from its competitor AstraZeneca that was released at an oncology conference. The AstraZeneca data for its breast cancer drug Dato-DXd underwhelmed which alleviated concerns of market erosion for Gilead's breast cancer drug Trodelvy. Shares in Erasca, a small cap precision oncology company, rose when the CEO of the company, Jonathan Lim, acquired 1 million shares.

The main detractors from the NAV in the month were Harmony Biosciences, Vera Therapeutics and Supernus. Harmony Biosciences reported negative data in a phase 3 follow-on trial for their drug pitolisant, which is already approved for narcolepsy, to also be used as a treatment for idiopathic hypersomnia, a rare neurological sleep disorder. Vera weakness stemmed from investor nervousness ahead of the approaching medical conference. Supernus shares were weak due to fear that its ADHD drug Qelbree would not meet sales expectations for the third quarter.

## Unquoted Portfolio

The fair value of the Trust's holding in SV BCOF LP was written down by £0.7m to reflect the share price of an underlying listed holding.

## Contact Us

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Company Matters, Link Group

**Auditor**  
PricewaterhouseCoopers LLP

**Broker**  
Numis Securities Ltd

## Management Team



**Ailsa Craig**  
Lead Investment Manager

Ailsa joined SV Health in 2006 and was appointed as Joint Lead Investment Manager of the Trust in March 2021. 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**  
Lead Investment Manager

Marek joined SV Health in 2014 and was appointed as Joint Lead Investment Manager of the Trust in March 2021. Marek has an MSc in Biochemistry and an MSc in Business Management from the Royal Institute of Technology, Stockholm.



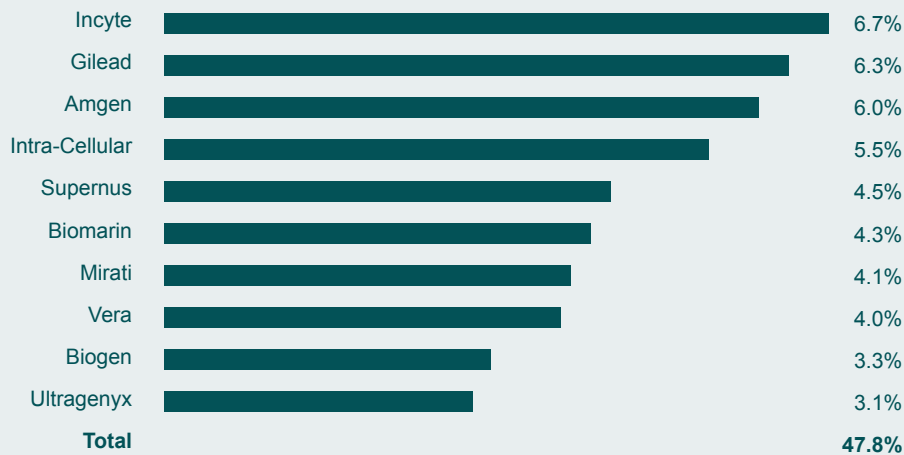
**Kate Bingham**  
Managing Partner SV

Kate joined SV Health in 1991 and represents the team of investment professionals managing the unquoted portfolio. Kate is a Managing Partner at SV Health Investors, has a first class degree in Biochemistry from Oxford University, and graduated from Harvard Business School with an MBA.

# Portfolio Exposure

As at 31 October 2023

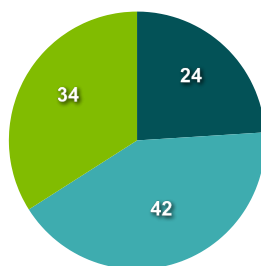
## Top quoted investments by NAV%



## NAV% by Development Stage

- Early Stage
- Profitable
- Revenue Growth

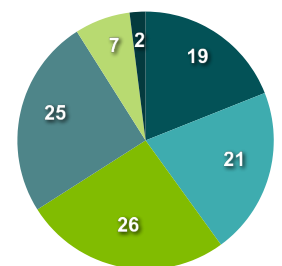
All values quoted in %



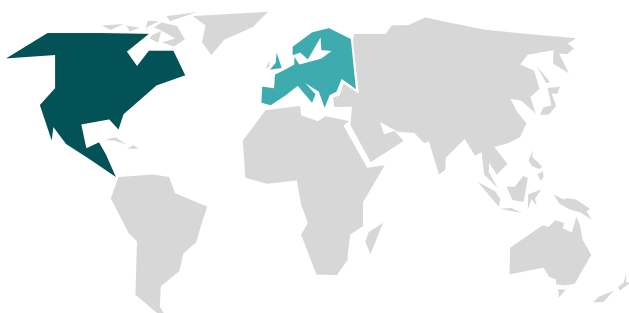
## NAV% by Size

- Mega Cap > USD 30BN
- Large Cap = USD 10 - 30BN
- Mid Cap = USD 2 - 10BN
- Small Cap < USD 2BN
- Unquoted Funds
- Directly-held Unquoted

All values quoted in %

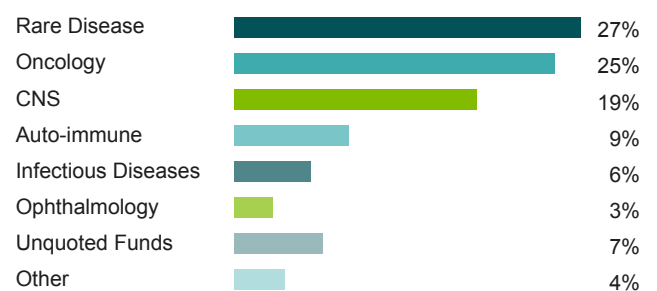


## NAV % by Headquarter Location



88% US / Canada 11% EU/UK 1% Rest of World

## NAV% by Therapeutic Area



# Discount/Premium Control Mechanism

The Board regularly reviews the methods for managing both the discount and premium. The Board considers that conducting share buybacks can help to manage the discount of its share price to NAV, therefore enhancing share price performance for existing Shareholders. When the share price is trading at a premium to NAV, Shareholders have given the Board permission to reissue shares previously bought back or new shares at a premium to NAV.

## AIFM and Investment Manager

SV Health Managers LLP was appointed Investment Manager of the Company on 1 January 2005 and Alternative Investment Fund Managers ('AIFM') on 21 July 2014.

Between November 2000 and December 2004, Schroder Ventures Life Sciences Advisers (UK) Ltd, was adviser to the Investment Manager of the Company during that period, Schroder Investment Management Ltd. SV Health Managers LLP's venture capital business advises six venture capital funds with capital commitments of over USD 2bn which primarily invest amounts of between USD 1m and USD 20m in North America and Europe, but will consider innovative investments in other regions.

SV Health Managers LLP manages the SV7 Impact Medicine Fund LP, a specialist USD 265m venture capital biotech fund, the Dementia Discovery Fund LP, a GBP 250m venture capital fund aiming to discover and develop breakthrough treatments for dementia, and the SV Biotech Crossover Opportunities Fund LP, a USD 250m venture capital fund targeting growth-stage, biotechnology companies developing transformative therapies.

SV Health Managers LLP is Authorised and Regulated by the Financial Conduct Authority (firm reference number 409119). Further information is available its website [www.svhealthinvestors.com](http://www.svhealthinvestors.com)

On 3 August 2023 the Board of the Company announced that it has decided to appoint Schroder Unit Trusts Ltd as the Company's Fund Manager and Alternative Investment Fund Manager. The transition is expected to happen in November 2023, following publication of the Company's annual results to 31 August 2023. Further details and information can be found in the announcement that was made via the London Stock Exchange's Regulatory News Service <https://www.londonstockexchang...>

## Risk Warning

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This financial promotion is issued and approved by SV Health Managers LLP ("SVHM"). Notwithstanding that this document is being provided to you as a financial promotion, you should be made aware that the opportunity described in the document is not suitable for all investors. It should not be relied upon to make an investment decision; any such investment decision should be made only on the basis of the fund scheme documents and appropriate professional advice. Nothing in this fact sheet is intended to be construed as: (i) an offer, invitation or inducement to engage in investment activity; (ii) investment advice or (iii) a recommendation.

The value of investments, and the income from them, may go down as well as up, and is not guaranteed, and investors may not get back the full amount invested. Past performance is not a guide to future performance and exchange rate changes may cause the value of overseas investments to rise or fall. Trusts such as the Company are able to borrow to raise further funds. This is generally known as "gearing", this can have the impact of improving returns in rising markets but conversely can increase the decrease in the value of funds in falling markets.

Investors should bear in mind that investment in biotechnology shares can be subject to risks not normally associated with more developed markets or stocks. Investing in the biotechnology sector carries some particular risks and investment in the Company should be regarded both as long term and as carrying a high level of financial risk. In addition, there is no guarantee that the market price of shares in investment trusts will fully reflect their underlying NAV and it is not uncommon for the market price of such shares to trade at a substantial discount to their NAV.

Active share can range from 0% to 100%. A score of 0% indicates that the portfolio is identical to the benchmark, while a score of 100% indicates that the portfolio has no holdings in common with the benchmark. Generally, higher active share indicates higher level of active management, and is associated with potentially higher returns and greater risk. However, active share alone does not guarantee higher returns, and investors should consider other factors such as fees, risk management, and historical performance when evaluating a portfolio.

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