International Biotechnology Trust plc

Investing in biotechnology for a healthier future

Annual Report and Financial Statements
for the year ended 31 August 2024

Schroders

Performance Summary

NAV per share total return*	Share price total return*	Reference Index	Yield*
15.9%	10.3%	15.3%	4.2%
(31 August 2023: 2.7%)	(31 August 2023: 3.0%)	(31 August 2023: –1.4%)	(31 August 2023: 4.4%)

Some of the financial measures above are classified as Alternative Performance Measures (“APMs”), as defined by the European Securities and Markets Authority and are indicated with an asterisk (*). Definitions of these performance measures, and other terms used in this report, are given on page 93, together with supporting calculations where appropriate.

Investment objective

International Biotechnology Trust plc (the “Company”) has an investment objective to achieve long-term capital growth by investing in biotechnology and other life sciences companies.

Investment policy

The Company will seek to achieve its objective by investing in a diversified portfolio of companies which may be quoted or unquoted and whose shares are considered to have good growth prospects, with suitably experienced management and strong potential upside through the development and/or commercialisation of a product, device or enabling technology. Investments may also be made in related sectors such as medical devices and healthcare services. While the Company’s portfolio is held as one pool of assets, for operational purposes there is a quoted portfolio and an unquoted portfolio. The portfolio is diversified by geography, industry sub-sector and investment size with no single investment in a company normally accounting for more than 15% of the portfolio at the time of investment.

The portfolio is split between large, mid and small-capitalisation companies, primarily quoted on stock exchanges in North America, where the most established and commercial biotechnology and other life sciences companies operating in related sectors are based, though investments may also be made in Europe, Asia and Australia. Investments may also be made into unquoted companies and into funds not quoted on a stock exchange, including venture capital funds. This may include funds managed by the Fund Manager and/or members of its group. The primary purpose of investment in unquoted funds will be to gain exposure to unquoted companies.

The Company may invest through equities, index-linked securities and debt securities, cash deposits, money market instruments and foreign currency exchange transactions. Forward or derivative transactions are not used by the Company.

The Company may borrow from time to time to exploit specific investment opportunities, rather than to apply long-term structural gearing to the Company’s portfolio of investments.

Ongoing charges ratio*
1.2%
(31 August 2023: 1.4%)

Share price discount to NAV per share*
11.3%
(31 August 2023: 6.3%)

Gearing*
4.4%
(31 August 2023: 12.0%)

Share price
680p
(31 August 2023: 644p)

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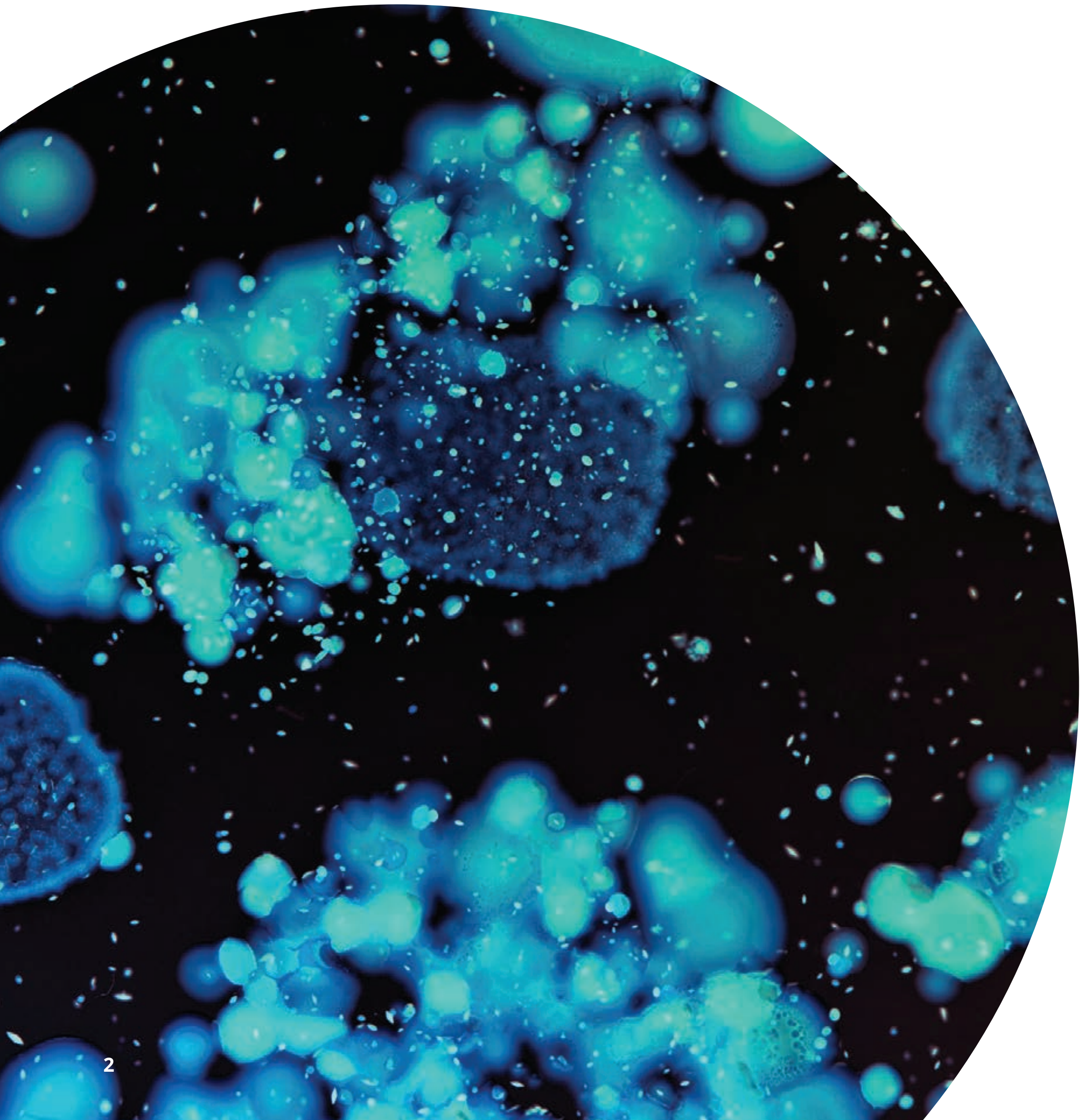
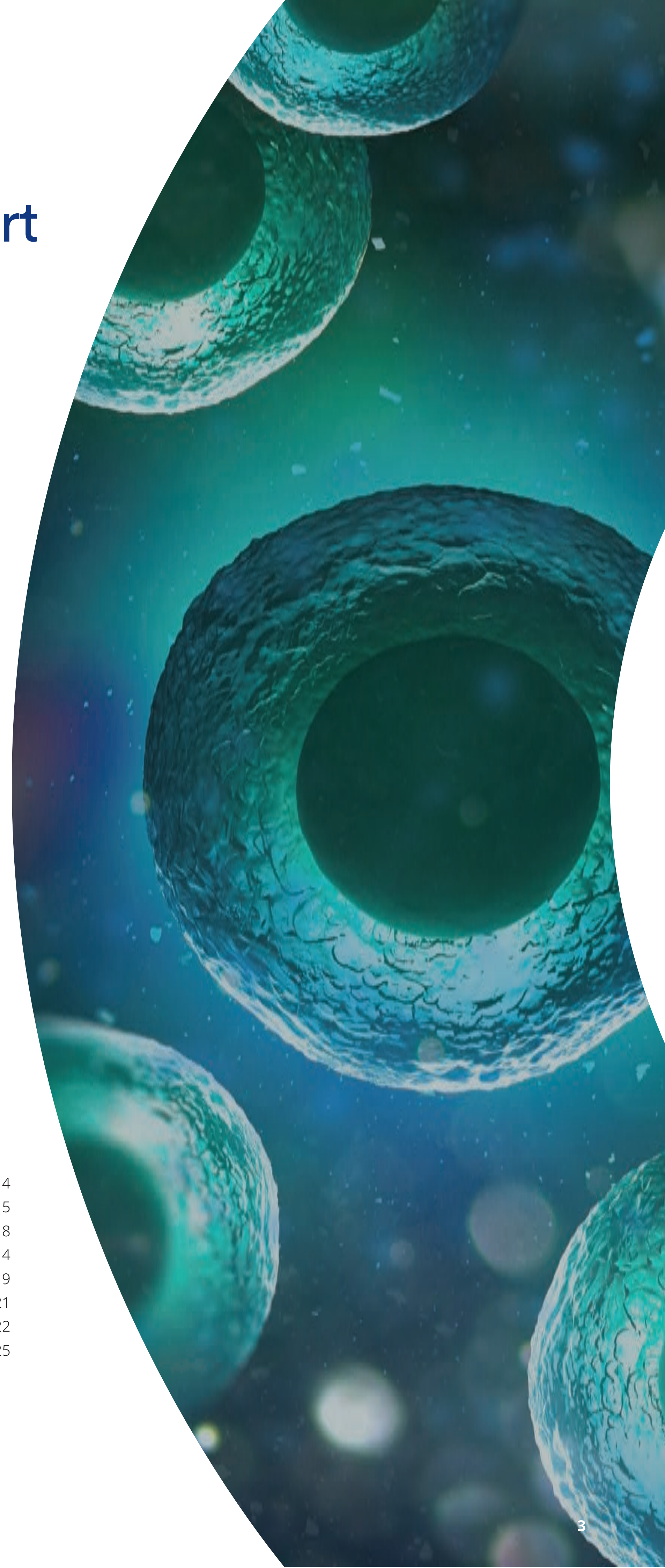
This is not a sustainable product for the purposes of the Financial Conduct Authority ("FCA") rules. References to the consideration of sustainability factors and ESG integration should not be construed as a representation that the Company seeks to achieve any particular sustainability outcome.



Strategic Report



Strategic Report

10-Year Financial Record

At 31 August	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total assets (£'000)[1]	261,681	231,120	272,337	263,217	240,862	302,708	347,835	326,916	304,871	308,155
Shareholders' funds (£'000)	236,001	216,651	252,651	262,473	239,579	283,897	323,775	284,889	270,317	282,265
NAV per share (pence)[2*]	586.40	575.10	672.90	699.00	623.90	738.60	783.20	697.20	687.50	766.30
Share price (pence)	551.50	497.50	624.00	680.00	636.00	730.00	729.50	651.50	644.00	680.00
Share price discount to NAV per share[2]* (%)	(6.0)	(13.5)	(7.3)	(2.7)	1.9	(1.2)	(6.8)	(6.6)	(6.3)	(11.3)
Gearing[2]* (%)	9.2	5.4	2.5	0.1	0.0	6.3	6.3	14.0	12.0	4.4

For the year ended 31 August	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net revenue after taxation (£'000)	(3,307)	(2,582)	(1,902)	(2,587)	(2,113)	(2,225)	(2,752)	(2,928)	(3,870)	(3,496)
Net revenue return per share (pence)	(7.52)	(6.63)	(5.07)	(6.89)	(5.58)	(5.79)	(6.80)	(7.13)	(9.53)	(9.16)
Dividend per share[3]* (pence)	0.00	0.00	23.00	27.00	28.00	24.80	28.40	31.40	28.20	28.40
Ongoing charges[2]* (%)	1.5	1.4	1.3	1.4	1.3	1.3	1.2	1.3	1.4	1.2

Performance[4]	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Share price total return*	100.00	175.36	158.19	206.50	234.75	229.85	273.22	283.04	263.89	271.92	299.81
Reference Index[5]	100.00	133.93	129.63	157.25	172.42	155.76	187.80	230.68	198.73	196.02	226.08

[1] Net assets plus borrowings used for investment purposes.

[2] For detailed calculations on the NAV per share, discount/premium, gearing and ongoing charges, please refer to Alternative Performance Measures ("APMs") on page 93.

[3] Dividends are paid from capital.

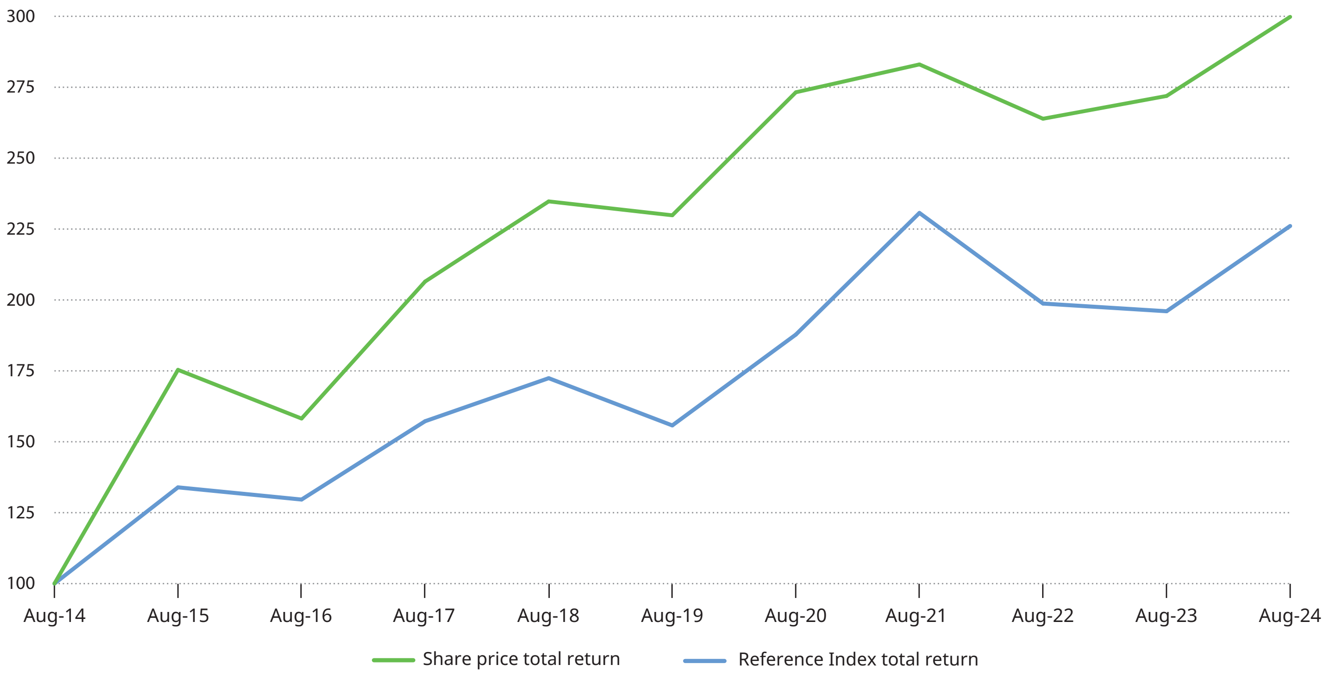
[4] Source: Morningstar. Cumulative performance rebased to 100 at 31 August 2024.

[5] The Company's Reference Index is the NASDAQ Biotechnology Index ("NBI").

* Alternative Performance Measures.

10-year share price and Reference Index total returns

Share price/Reference Index total return (%)



Source: Morningstar. Data rebased to 100 at 31 August 2014.

> *We share our Portfolio Managers' optimism that the recovery in the biotechnology sector is just beginning. Relative valuations are compelling and the potential rewards for investors in innovative companies developing future treatments look more attractive than ever.*

In the first Annual Report to you since appointing Schroders as Alternative Investment Fund Manager (the "AIFM" or the "Manager") of International Biotechnology Trust plc, I am pleased to report that the net asset value ("NAV") is again ahead of the NASDAQ Biotechnology Index (the "Reference Index") delivering a NAV total return of 15.9% against the Reference Index which rose by 15.3% in the year under review. Despite strong performance the discount continued to widen during the year, leading to a share price total return per share of 10.3%. All figures are on a sterling adjusted basis with dividends reinvested.

Annualised over the three years to 31 August 2024, the NAV total return was 3.6% versus an annualised return of –0.7% for the Reference Index over the same period.

Our Portfolio Managers, Ailsa Craig and Marek Poszepczynski, who moved to Schroders in November 2023, have continued to apply the same investment philosophy and approach. The transition to Schroders is now complete, and the Company has been benefiting from the support of a larger organisation with healthcare expertise and market-leading distribution and administrative capabilities.

Quoted portfolio

The NAV per share of the quoted portfolio, sterling adjusted and with dividends reinvested, rose by 15.4% during the financial year. Following a torrid couple of years for the biotechnology sector, I am pleased that the management team has delivered double digit absolute performance in addition to beating the Reference Index.

Investor confidence that the interest rate cycle had peaked at the end of 2023 supported a recovery which was initially focused on the larger pharmaceutical companies. The investment team continued to add selectively to the small and mid capitalisation innovative biotechnology companies which are now also participating in the sector recovery.

Vera Therapeutics, an autoimmune company and a top five holding which is developing a promising treatment to reduce the inflammatory response in immunoglobin A ("IgA") nephropathy, a chronic kidney disease, continued to perform well and contributed significantly to outperformance during the period. The share price of Insmed, which the Portfolio Managers added to during the year, has also performed well. The company is developing a drug to treat a debilitating lung condition, bronchiectasis, and has reported promising clinical trial results. Ultragenyx also performed well after the company upgraded estimates for sales of its drug Crysvita which treats a rare form of bone disease.

Once again successful identification of mergers and acquisitions ("M&A") candidates contributed to outperformance, with a further two quoted holdings being acquired during the financial year. In January of this year, Bristol Myers Squibb announced the completion of its bid for Mirati Therapeutics, an oncology company with a commercialised lung cancer drug, Krazati. In March of this year, Bristol Myers Squibb also acquired Karuna Therapeutics, a company with drugs under development for neurological and psychiatric conditions. Karuna's lead candidate for schizophrenia, Cobenfy, received US Food and Drug Administration ("FDA") approval in September 2024.

Detractors of performance included Aurinia Pharmaceuticals, which has been unsuccessful in generating interest in its lead commercialised medicine Lupkynis which treats lupus, and Revance Therapeutics, which makes injectable aesthetic therapeutics. Revance was unable to gain traction in a very competitive market and has recently announced a merger with a competitor.

Unquoted portfolio

In line with feedback received from our shareholders, we invest up to 15% of the total investments in innovative private equity opportunities within the biotechnology sector. SV Health Managers LLP ("SV Health"), which has historically delivered a strong track record for our shareholders from investments in unquoted biotechnology assets, continues to provide advice on the current private equity exposure. Currently, the unquoted exposure represents 8.6% of the Company's total assets. These are primarily invested in two SV venture capital funds, SV Life Sciences Fund VI ("SV Fund VI") and SV Biotech Crossover Opportunities Fund ("SV BCOF").

I am pleased to report that these funds have also had a successful year with two holdings being acquired and a further company achieving a significant uplift following its public listing on NASDAQ. In July 2024, Edwards Lifesciences acquired a portfolio holding in SV Fund VI, Endotronix, a leader in heart failure management technology, as part of a $1.2 billion deal. EyeBio, an innovative retinal disease therapy developer, which is held in our more recent investment, SV BCOF, was acquired by Merck in May 2024 for up to $3 billion, including up to $1.7 billion in potential milestone payments.

Post the financial year end in September 2024, Bioage, also held in the SV BCOF portfolio, raised US$200 million from its initial public offering ("IPO") on NASDAQ. A clinical stage company, Bioage is developing an oral drug candidate, Alzeprag, which is undergoing a phase 2 weight loss trial in combination with Eli Lilly's injectable obesity GLP-1 drug, Zepbound.

Dividends

The Company's dividend policy, which was last approved at the annual general meeting ("AGM") in December 2023, is to make dividend payments equivalent to 4% of the Company's NAV, as at the last day of the preceding financial year ending 31 August, through two semi-annual distributions. This enables shareholders to gain access to this exciting growth sector without sacrificing the security of regular income. The first dividend for the year, of 13.9p per share, was paid on 26 January 2024, and the second payment of 14.5p per share, was made on 23 August 2024.

The dividend policy will once again be proposed to shareholders at the Company's AGM in December 2024.

Discount management

The last twelve months have seen an increase in companies where share prices are trading at a discount to NAV throughout the investment trust industry, and the biotechnology and healthcare sector is no exception. The Board continues to keep the Company's share price discount to NAV under close review and is committed to buying back its shares to help manage the position. Although 2,483,273 shares were bought back to be held in treasury during the year, the discount widened from 6.3% to 11.3%. Post the financial year end, we have seen some narrowing of the discount and we are cautiously optimistic that renewed confidence in the biotechnology sector will lead to the share price more accurately reflecting the underlying strength of the Company's net assets.

Environmental, social and governance ("ESG") matters

As outlined in the Half Year Report, we are now able to utilise Schroders' dedicated ESG team to help our Portfolio Managers incorporate ESG criteria in the investment process. This additional resource has enabled us to apply a more rigorous approach to monitoring and engagement with our investee companies.

The updated ESG policy is detailed on page 16.

Costs and fees

As previously explained, the Manager waived its management fee for the first six months of appointment (from 20 November 2023), to offset the costs associated with the mandate transition. As expected, the ongoing charges ratio has decreased since the transition to Schroders.

In accordance with the Company's remuneration policy to pay additional one off fees in the event Directors have undertaken time-consuming work to deliver projects in shareholders' interests, all Board members have been awarded a one off payment following successful completion of the transition of the Company from SV Health to Schroders. These are detailed in the Directors' Remuneration Report on page 50.

For the year ended 31 August 2024, a performance fee of £693,000 has accrued to the Manager in respect of the quoted portfolio's performance from 20 November 2023, the date of transition to Schroders and the year end on 31 August 2024. A performance fee of £176,000 was paid to SV Health in respect of the period from 31 August 2023 to 20 November 2023, the date of the transition to Schroders, and a further fee of £35,000 has accrued to SV Health due to the performance of the unquoted portfolio from 20 November 2023 to 31 August 2024.

Proposed changes to the Articles of Association

The Board is proposing to make amendments to the Company's Articles of Association (the "Articles") primarily to reflect developments in market practice and changes in law and regulation, including to:

- give the Company the flexibility to hold general meetings partially by electronic means and to enable members to attend and participate in general meetings at one or more satellite meeting places. In addition, the Board is proposing to amend the Articles to give it certain additional powers in respect of postponing or adjourning meetings in appropriate circumstances. These amendments are being proposed in response to the restrictions on social interactions that were imposed during the pandemic which, on occasion, made it impossible or impractical for shareholders to attend physical general meetings. The Board's objective is to make it easier for shareholders to participate in general meetings through introducing electronic access for those not able to travel. I should make it clear that these powers would only be used if the specific circumstances or applicable law and regulation required, and the Board's intention is to always hold a physical general meeting, provided it is both safe and practical to do so; and
- increase the limit on the aggregate level of Directors' fees under existing Article 92 from £250,000 to £300,000 per annum. The proposed increase will provide headroom for the future and allow for potential additional Directors to be appointed as part of the Board's succession planning. Further details are provided in the Directors' Remuneration Report on page 50.

Board succession

The Board was pleased to announce on 27 August 2024 that Alexa Henderson would be appointed as a non-executive Director and Audit Committee Chair designate with effect from 1 January 2025. Alexa brings a wealth of experience in finance, accounting and audit together with experience chairing audit committees. The Board and I look forward to welcoming Alexa in the New Year.

In the Half Year Report, I advised that Caroline Gulliver, Chair of the Company's Audit Committee, who has served on the Board for nine years this year, had indicated her intention to step down as a Director at the forthcoming AGM. As Alexa Henderson is only joining us at the beginning of 2025, Caroline has subsequently agreed to remain as Chair of the Audit Committee for a short while after Alexa's appointment, to assist in providing a smooth transition of responsibilities. Caroline will therefore be seeking re-election as a Director at the forthcoming AGM.

Webinar

On 5 November 2024, the Company's Portfolio Managers will be presenting to shareholders at a webinar at 10.00 a.m. To register your interest to attend this webinar please visit https://www.schroders.events/IBT24, where the facility to watch the recorded webinar afterwards will also be available.

AGM

The AGM will be held on Monday, 9 December 2024 at 12.00 noon at the offices of Schroders at 1 London Wall Place, London EC2Y 5AU. A presentation from our Portfolio Managers will be given at the AGM, and attendees will also be able to ask questions in person and meet the Directors. Details of the formal business of the meeting are set out in the Notice of Meeting on page 89 of this Annual Report.

All shareholders are recommended to vote by proxy in advance of the AGM and to appoint the Chair of the meeting as their proxy. This will ensure that shareholders' votes will be counted even if they (or any appointed proxy) are not able to attend.

If shareholders have any questions for the Board, please write or email using the details below. The questions and answers will be published on the Company's web pages before the AGM.

To email, please use: amcompanysecretary@schroders.com or write to us at the Company's registered office address: Company Secretary, International Biotechnology Trust plc, 1 London Wall Place, London, EC2Y 5AU.

To receive regular news about the Company, shareholders are also encouraged to sign up to the Manager's investment trusts update, which can be found at: www.schroders.com/trust-updates/.

Outlook

It is rewarding to report on the green shoots of a recovery in the biotechnology sector following an unprecedented period of share price declines in the sector. The fundamentals remain strong. The ageing demographic, more efficient, targeted clinical trials and exciting innovation in disease areas including oncology, obesity, and neurological conditions are adding to the positive outlook. M&A activity is increasing as large, cash-rich pharmaceutical companies seek solutions to impending drug patent expiries.

As I write, investors seem sanguine in the face of a rapid escalation of hostilities in the Middle East, but ongoing conflict in the region may well impact investor confidence. The political debate around healthcare and US drug pricing will continue, regardless of the outcome of the US election.

Notwithstanding these risks, we share our Portfolio Managers' optimism that the recovery in the biotechnology sector is just beginning. Relative valuations are compelling and the potential rewards for investors in innovative companies developing future treatments look more attractive than ever.

Kate Cornish-Bowden
Chair

4 November 2024

Ailsa Craig

Marek Poszepczynski

> *"As things stand, our top-down view of the biotechnology opportunity remains positive."*

We are pleased to present the Portfolio Managers' Review for the year ended 31 August 2024. During the year under review, the Company completed the appointment of Schroder Unit Trusts Limited as its Alternative Investment Fund Manager ("AIFM" or the "Manager"), following the announcement in August 2023 that SV Health would be relinquishing the mandate. We both joined Schroders on 20 November 2023 and have settled very quickly into our new professional setting. In addition to healthcare expertise, Schroders brings deep experience in investment trusts and is extremely well equipped to support the Company from a regulatory and marketing perspective.

Market overview

The year in review commenced with a further bout of weakness from the biotechnology sector, which revisited the lows of 2022 in November 2023, before staging a strong recovery in the last few weeks of 2023 and through the current year.

Initially, this recovery was led primarily by larger companies, but it has broadened out as the year has progressed, with small and mid-cap biotechnology stocks increasingly participating in the rally. Encouragingly, this reflects renewed confidence across the sector after three years of a bear market, with higher levels of private and follow-on financing, alongside tentative signs that the IPO window is gradually re-opening.

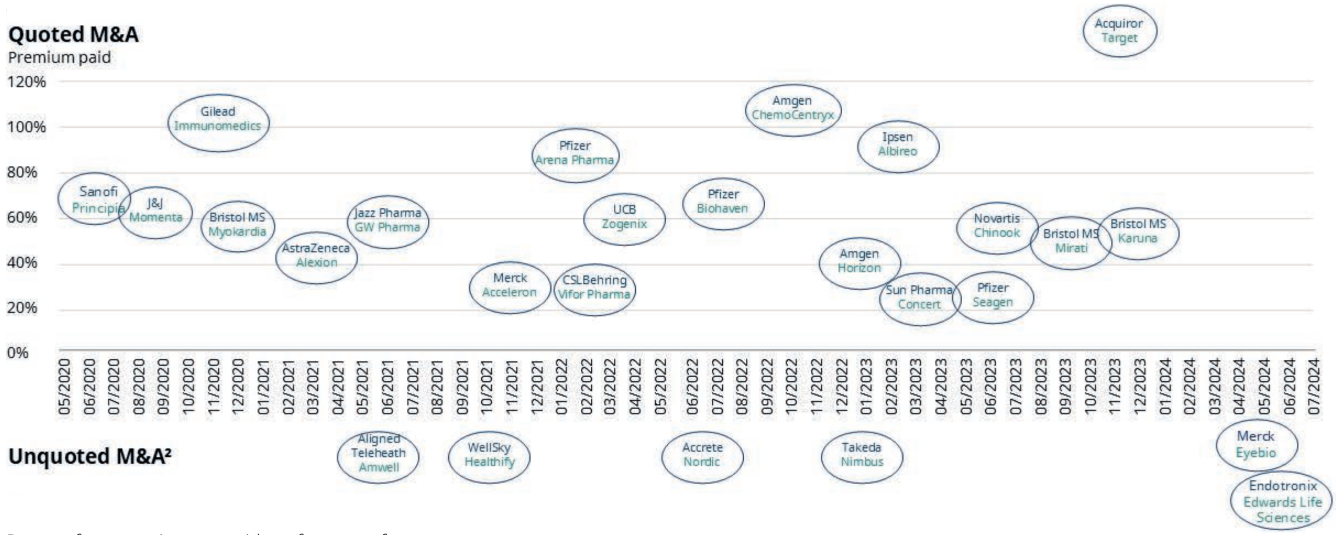
Consolidation in the sector has also continued, with many companies undergoing restructuring or M&A. Large pharmaceutical companies, in particular, have been keen to fill the revenue gap that stems from their impending patent expiries. Furthermore, the impact of the US Inflation Reduction Act which caps/limits the potential profits available for pharmaceutical companies from certain mature medicines has added further impetus to the need to identify the next generation of treatments. This, we believe, has created opportunities for active investors to benefit from the premia that are paid for innovative companies addressing high unmet medical need.

Innovation in the biotechnology industry has continued at a rapid pace. This is reflected in the number of new clinical trials being initiated, which has risen every year since 2011, and, if the current rate continues, 2024 is expected to be yet another record year. This year has, however, been slower for regulatory approvals, but this was expected after a record year in 2023 which worked through the COVID backlog of filings. Importantly, there are a number of imminent key product launches, product approvals and late-stage clinical read outs in areas such as oncology, neurology and obesity, all areas to which our portfolio is well exposed.

M&A – a major theme of the biotechnology industry

Strong M&A deal flow in recent years

25 M&A deals among portfolio companies since 2021[1]



Past performance is not a guide to future performance.
Source: Schroders.
[1] In some transactions, the market price rose sharply before the announcement.
[2] M&A premium not disclosed in unquoted portfolio.
Reference to securities are for illustrative purposes only and not a recommendation to buy or sell.

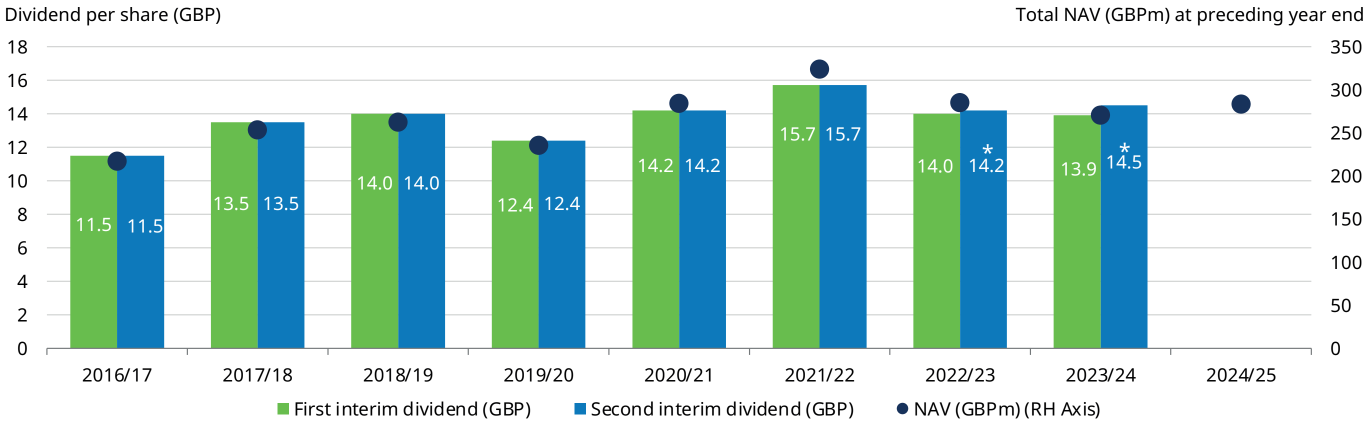
Performance review

The Company has delivered a solid performance during the year under review, generating positive returns for its shareholders. The NAV per share increased by 15.9% on a total return basis, outperforming the Reference Index return of 15.3%. In share price terms, however, the Company was behind the Reference Index, with a total return of 10.3%[1]. This stems from a widening of the Company's discount from 6.3% to 11.3%, in a period during which the investment trust sector as a whole suffered from widening discounts.

In accordance with our dividend policy of paying dividends equivalent to 4% of the Company's NAV as at the last day of the Company's preceding financial year, dividend growth was positive during the year under review, and will be positive again for the year ahead, as illustrated in the chart below.

[1]Source: Schroders. Past performance is not a guide to future performance and may not be repeated.

Dividend per share vs. total closing NAV at the preceding year end[1]



Source: Schroders and Bloomberg.
[1]Closing NAV at 31 August year end sets level of dividend paid in January and August the following year.
*Buy backs in 2023 and 2024 led to a slightly higher second dividend.

M&A

A key development during the year has been the continued resurgence of M&A activity in the biotechnology sector. Four companies (two quoted and two unquoted companies) from the Company's portfolio were acquired during the year, each at a significant premium.

In October 2023, Bristol-Myers Squibb announced it would acquire commercial-stage, targeted cancer specialist Mirati Therapeutics, for $4.8 billion. The deal was struck at a 45% premium to Mirati's undisturbed share price. Mirati had received approval for its targeted cancer therapy Krazati (adagrasib) in December 2022. Krazati treats a specific type of lung cancer with the KRAS G12C mutation. As part of the agreed transaction, Bristol-Myers Squibb included a non-tradable contingent value right where the company agreed to pay Mirati shareholders a further $1 billion should the US regulator, the FDA, accept an application for the company's pipeline drug MRTX1719 for lung cancer.

Bristol-Myers Squibb also acquired Karuna Therapeutics for $14 billion in December 2023, paying a 53% premium to the pre-bid share price. Karuna's lead asset, KarXT, is positioned as a potential first-in-class treatment for schizophrenia and other neuropsychiatric conditions. It was submitted to the FDA in the autumn of 2023. In September 2024 the drug, now named Cobenfy, received approval from the FDA for the treatment of schizophrenia.

As well as realising meaningful gains for the Company's shareholders, these deals highlight our ability to identify attractively valued biotechnology businesses with exciting technology in development.

Quoted portfolio

Contributors to NAV

Vera Therapeutics ("Vera") (gain of £15.4 million[1]) a biotechnology company with a promising asset in late-stage development for IgA nephropathy ("IgAN"), Atacicept. IgAN is a serious autoimmune kidney disease that can cause progressive damage, leading to end-stage renal disease and the need for dialysis or transplantation. Vera's disease-modifying therapy could become the first on the market to target the root cause of IgAN rather than merely slowing down progression and alleviating symptoms. The drug has continued to demonstrate positive progress in clinical trials, and received FDA Breakthrough Therapy Designation in May 2024, which recognises its potential to deliver significant clinical improvements over current treatment options and accelerates its progress through the regulatory process. Phase 3 clinical trials are underway, with results due in the first half of 2025, ahead of potential launch in 2026.

Insmed (gain of £ 4.7 million[1]), in May 2024, Insmed reported positive phase 3 results for brensocatib, aimed at treating bronchiectasis. The drug demonstrated exceptional efficacy, significantly surpassing the primary endpoint showing a marked reduction in exacerbations. After the data release, we built a significant position, and the shares appreciated a further c30%.

[1] Source: Schroders as at 31 August 2024.

The trial, involving 1,680 adults and 41 adolescents, compared brensocatib against a placebo. Patients receiving the 10 mg dose experienced a 21% reduction in exacerbations. Key secondary endpoints, such as prolonged time to first exacerbation and increased odds of remaining exacerbation-free over 52 weeks, were successfully achieved.

Looking ahead, Insmed intends to submit the trial data to regulators in Q4, anticipating a market launch in mid-2025. The company is also advancing brensocatib's development in other conditions, indicating a promising growth trajectory.

Ultragenyx (gain of £4.6 million[1]), rare disease specialist, Ultragenyx has demonstrated strong momentum, with Q2 2024 revenues significantly above initial projections. This positive performance has prompted management to raise the 2024 revenue guidance. Key contributors to this success include robust sales of Crysvita for a rare form of bone disease.

The outlook for the pipeline remains robust following an active first half of 2024, with significant data releases anticipated in the second half. Pivotal studies involving setrusumab in osteogenesis imperfecta, another rare bone disease, and various gene therapies, including GTX-102 for Angelman syndrome, are set to yield further insights and potentially enhance Ultragenyx's market positioning.

With a solid cash position of approximately $874 million, the company is well-capitalised to support ongoing clinical developments and navigate upcoming regulatory meetings. Due to the strong performance of the stock, the managers have reduced their position to preserve capital heading into significant binary events towards the year end.

Detractors from NAV

Aurinia Pharmaceuticals ("Aurinia") (loss of £3.6 million[1]) has struggled throughout the year, culminating in a significant drop in share price following the disappointing conclusion of its strategic review. Despite reaching out to over 60 potential buyers, the review yielded no formal bids, highlighting the company's difficulties in attracting acquisition interest.

There remains some optimism as Lupkynis, Aurinia's lead asset which addresses Lupus, is expected to generate $200–220 million in 2024 and the company is streamlining its operations. However, Aurinia faces an uphill battle to regain investor confidence. Future performance hinges on strong quarterly results from Lupkynis, increased commercial execution, and improved profitability as R&D spending diminishes in the coming year, supported by $350 million in cash reserves.

Revance Therapeutics ("Revance") (loss of £3.0 million[1]) has encountered a difficult year, marked by declining stock performance driven by several key challenges. The company faced heightened competition in the neuromodulator market, which pressured pricing and market share. Investors were concerned about the slow uptake of Daxibotulinumtoxin A injection, its flagship product, amidst a crowded landscape dominated by established players.

Additionally, Revance's commercial premium pricing strategy faced scrutiny, as slower-than-expected sales growth raised doubts about the effectiveness of its marketing strategy and its ability to expand market reach. Despite promising clinical trial results for its innovative products, including the next-generation treatment options, concerns surrounding regulatory timelines and the pace of new product launches contributed to market unease. The company was subsequently bid for by Crown Laboratories in August 2024.

Moderna (loss of £2.4 million[1]) has faced a challenging year, reflected in its recent reduction of guidance figures for 2024 vaccine sales. This decrease can be attributed to heightened competition in the markets for COVID and respiratory syncytial virus ("RSV") vaccines as well as a-lower take up of vaccinations.

Despite reporting Q2 sales of Spikevax at $184 million, the overall figures remain modest compared to previous years, reflecting a 37% year-on-year decline. Notably, no revenue was reported from the recently approved RSV vaccine. The prospect of a saturated and competitive respiratory vaccine landscape further complicates future growth.

On a positive note, Moderna's pipeline remains active, with plans to seek approvals for its seasonal flu and next-generation COVID vaccines by year-end. Successful Phase III trial results have been reported for these vaccines, alongside the flu/COVID combination vaccine, which has also met its primary endpoints.

Unquoted portfolio

The improved funding environment extends to the unquoted companies in the sector and we are delighted to report two acquisitions and a significant IPO in the SV Health funds in which we are invested, during the year under review.

SV Fund VI continued to progress well. In August 2024, the fund received upfront proceeds of $58.0 million (4.1x multiple on invested capital ("MOIC")) related to the acquisition of Endotronix, a leader in heart failure management solutions which received FDA approval for Cordella, an implantable pulmonary artery pressure sensor allowing early, targeted therapeutic intervention, by Edwards Lifesciences. SV Fund VI is entitled to additional proceeds upon the achievement of clinical milestones as well as escrow proceeds.

SV Fund VI also made follow-on investments in 2024 in Ribometrix, Doctors of Physical Therapy, Jet Health and Enara. Since our initial investment in SV Fund VI in 2016, the fund has delivered an impressive Internal Rate of Return ("IRR") of 16% per annum for investors.

2024 has been another exceptional year for SV Health's clinical stage fund, SV BCOF, and it continues to deliver on the value accretion events that were anticipated at the start of the year.

Most notably, in a period where liquidity is scarce, SV BCOF successfully exited its ophthalmology company, EyeBio in a sale to global pharma company, Merck. SV Health created EyeBio alongside serial entrepreneur and SV Venture Partner David Guyer, providing seed funding from its venture fund, the SV7 Impact Medicine Fund.

In July 2024, Merck acquired EyeBio on the back of promising data from a Phase 1b trial from its lead programme in diabetic macular edema. Merck recognised the major improvements in vision (+11.2 letters on a standard eye test) and 80% reduction in retinal thickness seen in patients and as a result, agreed to pay $1.3 billion in an upfront payment, followed by a potential further $1.7 billion in pre-agreed milestones to acquire the Company. EyeBio is a flagship acquisition for Merck as they look to build a new ophthalmology franchise, with their sights on the multi-billion dollar macular degeneration market, amongst others. EyeBio has already achieved the first milestone of dosing a patient in a Phase 3 clinical trial. The exit drove a material distribution to SV's investors, generating a realised return of 7 times the SV BCOF investment, and the future milestones have the potential to deliver a further 4 times investment on a risk-adjusted basis. As a result, SV BCOF expects to make a further distribution to investors by the end of this year.

[1] Source: Schroders as at 31 August 2024.

In the Half Year Report, SV Health highlighted its investment in BioAge, a clinical stage obesity therapeutics company, where it participated in the highly sought after crossover round. The company is executing clinical trials with its investigational product and an approved therapeutic with the potential to improve on the current obesity standard of care, by shifting to oral treatments as well as addressing lean muscle loss which can have a material impact on patient health. The Company's plan to list on NASDAQ was realised on the 26 September 2024 and it now trades under NASDAQ: BIOA. The company's shares opened at $22.50 in its NASDAQ debut, 25% above the initial public offering price of $18.00, and have continued to trade above the marketed offering price.

In addition to these recent developments from the portfolio, SV BCOF has invested in SV Health's latest UK company creation, Draig Therapeutics. The Company was co-founded with Cardiff academics Professor John Atack and Professor Simon Ward, repeat SV Venture Partner, Ruth McKernan and SV provided the founding institutional investment. Ruth is a serial entrepreneur and leading expert in the field of neuroscience drug development. SV Health team members Charles Dunn and Jamil M. Beg have joined the board of directors. Draig represents an exciting opportunity given the mature nature of the portfolio with a lead programme already in clinical studies. This investment offers the potential for outsized returns through the founder shares awarded to SV Health funds as founding investor.

Strategy update

Our investment strategy remains focused on identifying companies with innovative technologies, strong intellectual property and solid growth potential. This is a constant feature of our investment approach, but where within the biotechnology industry we find these businesses can change over time, as can our appetite for risk.

The end of this financial year marks the completion of the first three full years of our management of the Company's portfolio. Despite market volatility, our efforts to adapt the portfolio to evolving market conditions have enabled us to deliver consistent outperformance over the Company's Reference Index over each of these first three years, in markedly different circumstances.

The key to this outperformance has been a flexible, valuation-driven strategy, adapting to evolving market conditions with a focus on capital preservation and selective risk taking. For example, in the market downturn of 2022, we focused on managing downside risk by reducing exposure to higher-risk, smaller biotechnology companies in favour of larger, resilient, cash-flow generating businesses. This cautious stance paid off, and we were then able to take advantage of lower valuations in 2023 to move back towards earlier-stage biotechnology companies once the market had shown signs of stabilisation. Shareholders have increasingly seen the benefit of these strategic moves as we have progressed through 2024.

This flexibility is typical of what investors should expect from our management. There will always be a strong emphasis placed on capital preservation, as reflected in our approach to "binary event risk", where we look to reduce exposure to holdings as they approach critical milestones such as trial results, in order to reduce exposure to excessive share price volatility.

In addition to our scientifically driven and valuation aware bottom-up stock picking, investors should expect us to continue to take a top-down view, which ensures that we have an appropriate breadth of exposure across the various therapeutic areas as well as informing whether the portfolio should be tilted towards defensive or riskier biotechnology companies, depending on where we are in the investment cycle. This view can also be amplified through active management of the gearing[1] facility, and by taking advantage of market volatility as conditions evolve.

[1]Please refer to section on "Definitions of Terms and Alternative Performance Measures".

Portfolio positioning

As things stand, our top-down view of the biotechnology opportunity remains positive. With confidence returning and the IPO window gradually re-opening, we believe we are at a point in the biotechnology investment cycle from which a prolonged period of positive performance may be expected.

Early in the year under review, having seen encouraging signs of renewed vitality in smaller, earlier-stage biotechnology, we elected to increase the portfolio's exposure to this part of the market; and also increased gearing[1] to a peak of 14%, confident that the recovery would continue to gather momentum. Both of these strategic decisions stood the portfolio in good stead through the initial stages of the biotechnology rally. We have subsequently reduced gearing to around 5% but the portfolio remains well exposed to small and mid-cap biotechnology, where we continue to find very attractive opportunities.

By subsector, 39.8% of the portfolio is currently invested in early-stage biotechnology companies which are still navigating the clinical trial and regulatory process, 41.5% in mid-stage revenue growth companies which have products that are approved but not yet turning a profit, and 18.7% in later-stage, profitable businesses. We believe we have an appropriately balanced and diversified portfolio for the current environment, but our increased investment in carefully selected smaller, earlier-stage companies has intentionally increased the volatility profile of the portfolio. We believe a higher beta[2] positioning should prove beneficial to shareholders in the period ahead.

Alongside exposure to core holdings where we find high quality, well-managed biotechnology businesses with exciting and innovative technology under development, we also take a "basket approach" to therapeutic areas where the ultimate winners are still somewhat harder to predict. This involves a lower risk, diversified strategy of taking smaller positions across a range of the most promising assets, rather than backing a single opportunity. Below we take a look at three of these baskets.

[1]Please refer to section on "Definitions of Terms and Alternative Performance Measures".

[2]For help in understanding any terms used, please visit https://www.schroders.com/en/insights/invest-iq/investiq/education-hub/glossary/.

Central nervous system ("CNS")

Just over a fifth of the portfolio is currently dedicated to therapies targeting diseases of the CNS, such as schizophrenia, depression, Alzheimer's, Parkinson's, epilepsy and attention deficit hyperactivity disorder ("ADHD"). These conditions are typically highly complex, with significant unmet medical need and unfortunately a growing number of patients, and we are seeing exciting developments from a broad range of innovative companies in this area.

Indeed, the two largest portfolio holdings have CNS assets in development. Intra-Cellular Therapies is advancing treatments for schizophrenia and bipolar depression, with its lead drug, Caplyta, already approved for both conditions. Its unique mechanism of action differentiates it from other antipsychotics, offering better tolerability with fewer side effects like weight gain or movement disorders, making it a highly valuable asset in the CNS space. We think of the company as a "pipeline in a drug" as it is also exploring potential applications for Caplyta in other psychiatric areas, and continues to advance its broader pipeline, including treatments for major depressive disorder and other neuropsychiatric conditions.

Meanwhile, Supernus Pharmaceuticals is focusing on conditions such as ADHD and epilepsy. Its leading products include Qelbree, an ADHD treatment that is expanding its market share due to its non-stimulant nature, and Trokendi XR, which is indicated for epilepsy and migraine prophylaxis. Supernus continues to advance its pipeline, with several next-generation therapies for CNS disorders in development.

Elsewhere, we hold smaller positions in businesses such as Neurocrine Biosciences, which specialises in involuntary movement disorders, notably tardive dyskinesia through its drug, Ingrezza. Other examples include Acadia Pharmaceuticals which focuses on psychosis-related disorders and Rett Syndrome, a rare genetic brain disease, Jazz Pharmaceuticals which is best known for its work in sleep disorders and narcolepsy, and Uniqure which is pioneering a gene therapy for Huntington's disease.

This therapeutic area has seen a significant amount of M&A activity in recent times, as evidenced by the Karuna Therapeutics deal mentioned above. This reflects the high level of interest in CNS innovation from large pharmaceutical companies, and we expect to see this trend continue as CNS treatments remain a priority for filling pipeline gaps.

Emerging oncology

Another fifth of the portfolio is targeting oncology innovation, with the majority of this focused on what we consider to be the next generation of cancer treatments.

One of the key areas here is cell therapy, where cells are genetically modified or reprogrammed in a laboratory and then infused back into the patient. This technique has already made a major impact in treating blood cancers, particularly with CAR-T therapies that have shown remarkable success. However, cell therapy's potential extends well beyond blood cancers, with exciting prospects for treating solid tumours through both extracellular and intracellular targeting mechanisms, enabling the immune system to attack these tumours more effectively.

Within the portfolio, Iovance Biotherapeutics recently launched its tumour-infiltrating lymphocyte ("TIL") therapy, lifileucel, for advanced melanoma. TIL therapy works by isolating and expanding the patient's own tumour-fighting lymphocytes, which are then reinfused to target and destroy cancer cells. This represents a new frontier in immunotherapy, particularly in the treatment of solid tumours.

Meanwhile, Autolus Therapeutics has filed for approval of its CAR-T therapy, obecabtagene autoleucel (obe-cel), for treating acute lymphoblastic leukaemia ("ALL"). This therapy uses a patient's own modified T-cells to target and eliminate cancer cells, with promising clinical data showing strong efficacy in achieving remission in this difficult-to-treat blood cancer.

Protein degradation is another exciting emerging area of oncology that involves targeting and breaking down specific proteins that are essential for cancer cell survival. This approach has the potential to address previously "undruggable" proteins, significantly broadening the scope of cancers that can be treated. The market for protein degradation, if successful, is multi-billion in size as it introduces entirely new mechanisms for attacking cancer at the molecular level. The portfolio is exposed to this field through companies like BeiGene and Arvinas. BeiGene is advancing its protein degradation platform with promising therapies such as BGB-11417, a Bcl-2 inhibitor currently in trials for chronic lymphocytic leukaemia ("CLL") and other B-cell malignancies. Meanwhile, Arvinas' lead candidate, ARV-110, targets the androgen receptor, a key driver in prostate cancer.

Additionally, T-cell engagers represent another next generation immunotherapy. These bispecific antibodies simultaneously bind to cancer cells and recruit T-cells, directing the immune system to destroy the cancer. Within the portfolio, Immunocore is a leader in this field with Kimmtrak, a first-in-class bispecific T-cell engager approved for treating uveal melanoma. Janux Therapeutics is also making strides in developing T-cell engager therapies for solid tumours, leveraging its proprietary TRACTr platform to enhance the safety and efficacy of these treatments.

Obesity

Historically viewed as a predominantly Western problem, obesity is now a global health challenge, with estimates suggesting that a quarter of the world's adults will be obese by 2030. This expanding prevalence creates vast market potential for effective therapies.

The current leading treatments are GLP-1 receptor agonists, which have been highly successful in recent years. Market expectations are very high, however, and risks remain regarding delivery mechanisms, reimbursement policies and ongoing supply constraints. These factors mean that while current therapies dominate the landscape, market leadership is far from guaranteed in this rapidly evolving field, where innovation is occurring at a rapid pace.

There are currently 79 listed clinical-stage obesity programmes targeting at least 41 unique mechanisms, and the numbers continue to rise. Among the most exciting new developments are combination therapies that activate multiple pathways, such as GLP-1 combined with gastric inhibitory polypeptide ("GIP") agonists, amylin, glucagon or leptin. These combinations aim to boost efficacy, improve patient outcomes and offer more comprehensive weight management solutions. Additionally, novel targets such as mitochondrial uncoupling and cannabinoid-1 ("CB1") reverse agonists are being explored, promising to deliver innovative new approaches to more effective long-term obesity management.

Approximately 7% of the portfolio's assets are allocated to obesity-related therapies, spread across eight companies. A notable example is Altimmune, which is developing pemvidutide, a dual GLP-1/glucagon receptor agonist designed to enhance weight loss by increasing energy expenditure and reducing appetite.

Outlook

The biotechnology sector looks poised to make further progress as we look towards 2025 and beyond. Despite the recent rally, the Reference Index remains well below its peak of 2021 and valuations are generally reasonable, suggesting significant future upside potential, given the sector's accelerating pace of innovation.

In large part, we believe this innovation is driven by necessity. The increasingly complex demands of a global population that is growing older, richer and sicker, are driving rising demand for healthcare services in general and placing public healthcare systems under ever increasing strain. These fundamental demographic tailwinds look capable of driving structural growth and continued biotechnology innovation for many years, if not decades, into the future.

In the meantime, with inflation seemingly under control and interest rates expected to decline, the investment environment is again becoming increasingly favourable for long-duration assets such as biotechnology. There are signs that the IPO window is beginning to open and secondary offerings remain strong, indicating renewed appetite for biotechnology from a broader range of investors. This is all typical of what we would expect to see in the more positive stages of the biotechnology investment cycle.

The potential for further M&A activity is another positive feature of the outlook, as large, cash-rich pharmaceutical companies seek to fill gaps in their pipelines and replace expiring patents by buying smaller biotechnology businesses. The implementation of the US Inflation Reduction Act, which may negatively impact the pricing of key established drugs sold by large pharmaceutical companies, could increase the demand for innovative biotechnology still further.

As has been the case in prior years, the US Presidential election could result in near-term volatility in the biotechnology sector, and for healthcare more broadly. However, we do not expect any election outcome to materially change the positive long-term biotechnology investment case.

Conclusion

As we move further into what has historically been one of the most rewarding phases of the biotechnology investment cycle, we believe the Company is well positioned to capture the opportunity that lies ahead, through the disciplined application of a successful and repeatable investment approach, augmented by the strength and resources of Schroders. Notwithstanding the risk of near-term volatility as we move through the US election season, we view the long-term future for the Company and its shareholders with more confidence than ever.

Ailsa Craig and Marek Poszepczynski
Portfolio Managers

4 November 2024

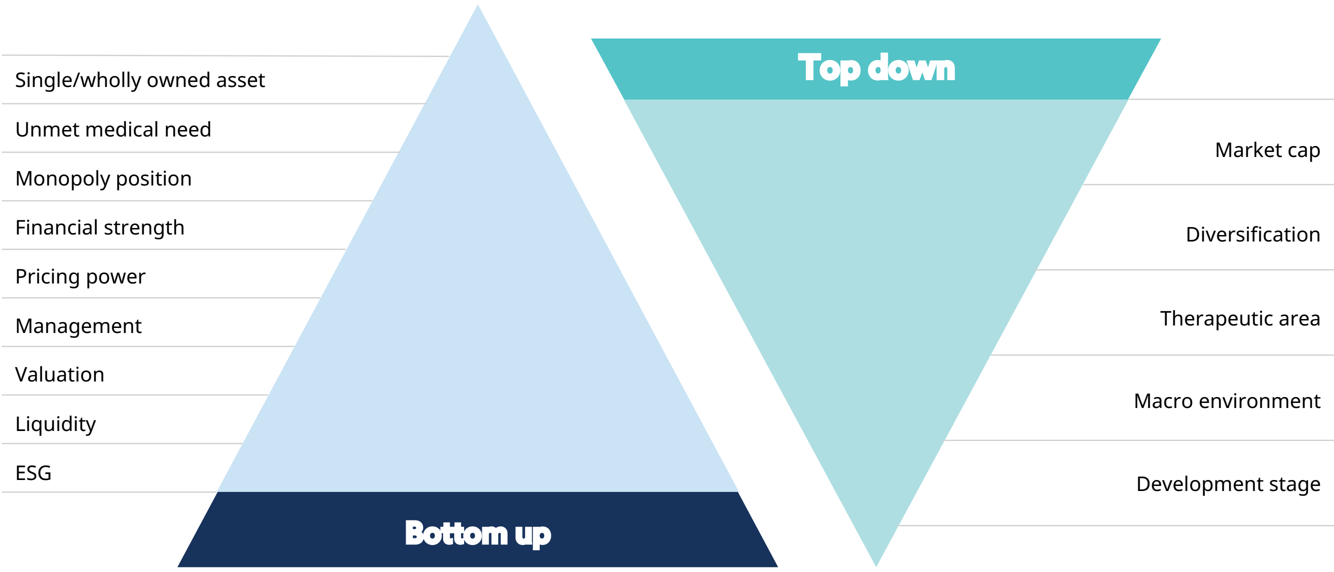
The Company aims to give its investors access to the whole spectrum of the biotechnology sector, from early stage private companies with pre-clinical projects through to mega-cap biotechnology companies which have products already making a profit.

The Company's assets include both a quoted portfolio and an unquoted portfolio. The Board of Directors has set size parameters for the unquoted portfolio of between 5% and 15% of NAV, which at 31 August 2024 was 9.4%. This portfolio currently comprises investments in two funds (SV Fund VI and SV BCOF), in addition to some legacy direct unquoted investments. These assets are managed by SV Health. See page 24 for more information on the unquoted portfolio.

The quoted portfolio is managed by your joint lead managers, Ailsa Craig and Marek Poszepczynski, (the "Portfolio Managers"). They have been the lead managers since March 2021, and both have worked with the Company for a long period ahead of that, Ailsa Craig since 2006 and Marek Poszepczynski since 2013. For more information on your Portfolio Managers, please visit the Company's web pages: www.ibtplc.com.

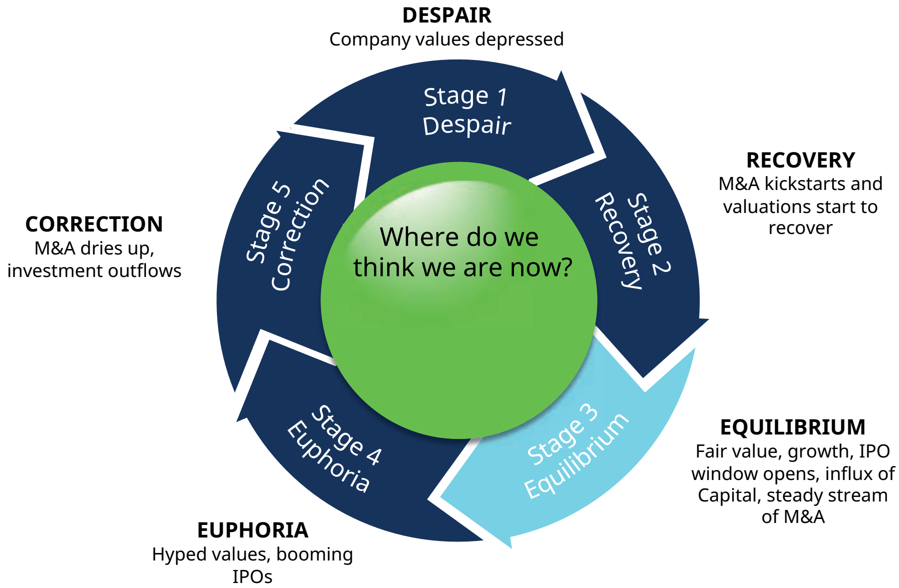
Bottom up stock picking with an important top down overlay

Factors considered (in no particular order)



Source: Schroders.

The Portfolio Managers' approach is essentially a bottom up stock picking process, but with an important macro driven top down overlay. Investor appetite for biotechnology investing tends to be cyclical which causes the sector sentiment to shift from being undervalued to overvalued at different points in the cycle.



Source: Schroders, December 2023.

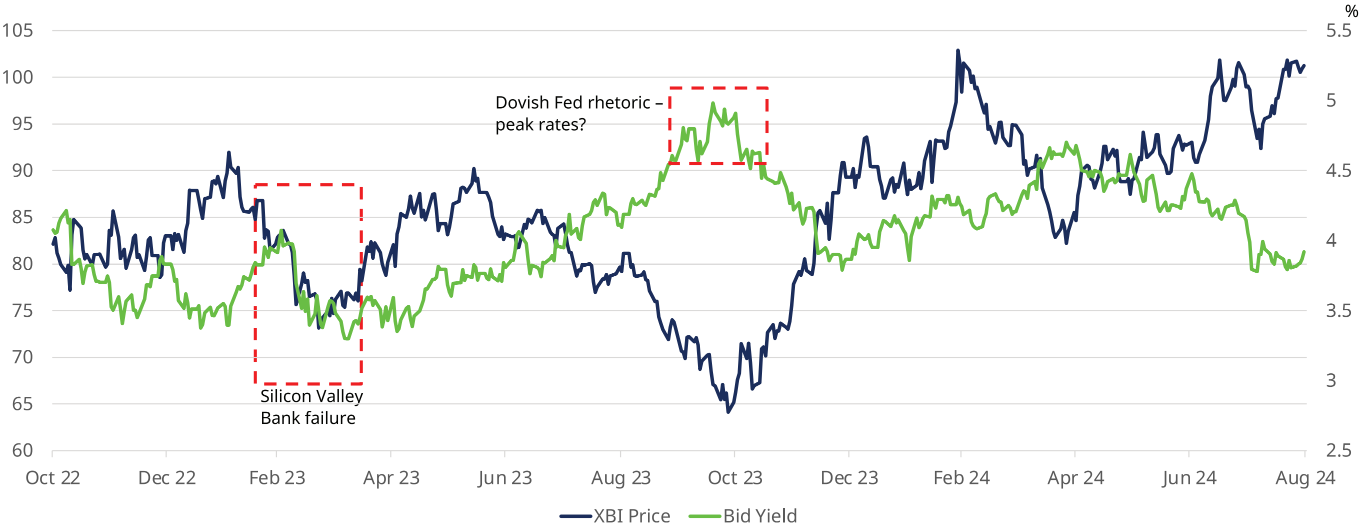
This is why the top down overlay is important as it enables the Company to preserve your capital by tilting the portfolio into the more defensive large cap stocks when a market correction is anticipated, and back into the higher growth smaller cap earlier stage companies when a period of stability and investor optimism is expected. During the financial year ended 31 August 2024, your Portfolio Managers assessed that the biotechnology sector was due to enter a period of relative stability following an unprecedentedly long period of draw down. Thus the portfolio was tilted away from the defensive mega caps towards the higher growth earlier stage names during the year.

The investment cycle drives the top down overlay

In order to anticipate the investor sentiment towards the sector, the Portfolio Managers monitor several factors which are seen as leading indicators for an improvement in the sector's investment performance.

There is a strong inverse correlation between US interest rates and the performance of the biotechnology sector. This means that when the Federal Reserve cuts interest rates, the biotechnology sector has historically performed better relative to the broader market. Due to the long duration of the process of developing a new drug, lower interest rates discount future potential profits less than the opposite.

XBI Smaller Cap Biotechnology vs US Treasuries 10-year yield, August 2024



Source: Eikon Refinitiv, Schroders, 31 August 2024.

M&A have long been a part of the biotechnology sector's ecosystem with the majority of innovative drug development taking place in biotechnology companies, but the majority of sales and manufacturing of approved drugs taking place in major pharmaceutical companies. Many pharmaceutical companies are currently cash rich and able to raise debt (especially those who profited from the COVID pandemic). These companies are also facing a number of key patent expiries on their most profitable products. Therefore, their appetite to buy biotechnology companies with strong products is high. When the pharmaceutical companies' appetite for acquisitions accelerates, it is a good sign that investor appetite for stocks will follow. During the year to 31 August 2024, the Company profited from four acquisitions of companies in its portfolio (see the Portfolio Managers' Review on page 8).

Access to equity finance is a further indicator of the financial health of the biotechnology sector. When companies are able to access secondary equity finance effectively, the window for IPOs edges open, which is a real test of investor appetite for the sector. As the year ending 31 August 2024 drew to a close, a number of biotechnology IPOs had been launched or were expected to launch after several years where very few biotech IPOs had made it to the market.

These factors are all carefully monitored by your Portfolio Managers to inform their investment decisions with regard to their top down overlay.

Diversification is also an important component for the top down overlay. Ensuring that the portfolio is appropriately balanced across a range of therapeutic areas is important as when one company hits the buffers, its whole subsector tends to experience a downturn. The portfolio is also diversified across various size brackets and stages of development.

Bottom up stock picking in the biotechnology sector

Complementary to Ailsa Craig's skills, Marek Poszepczynski's background in business development is particularly useful for stock picking and the Company's Portfolio Managers employ many of the same approaches used by the business development departments of pharmaceutical companies when they are evaluating potential licensing and M&A candidates.

Idea generation is important in identifying prospective portfolio companies. Most of the listed biotechnology companies have chosen to base themselves in the USA where they have superior access to equity finance and the largest market in the world. Your Portfolio Managers travel regularly to the US to enhance their idea generation. Most of their interactions with prospective portfolio companies take place at investment conferences, scientific conferences and in virtual one-to-one meetings organised by the Portfolio Managers themselves. Within Schroders, there are experts in all areas of healthcare investing whose expertise can also be drawn on, for example when assessing the likelihood of a particular pharmaceutical company making a biotechnology acquisition, the Schroders Healthcare team will have in depth knowledge of the pharmaceutical company. Furthermore, the Portfolio Managers have access to Key Opinion Leaders in relation to particular areas of science, regulation, clinical statistics and other fields.

The Portfolio Managers favour companies which have a great product with compelling science which addresses an unmet medical need, giving the company potential pricing power. The company's management should have experience with developing drugs and guiding them through the clinical and regulatory process and the company should have a cash runway of at least two years. The valuation should be reasonable, and the shares should be liquid enough to enable an active trading approach. The therapeutic area should not be too crowded – a monopoly position and a wholly owned asset are optimal and the company should meet our ESG thresholds (see page 14 for further details).

Diversification through investing in baskets

In certain areas, there can be a race among several companies with competing technologies to address similar conditions. When they are at the earlier stages of development, it is hard to predict which companies will succeed as the variables are unpredictable. A basket approach to investing at this stage helps to preserve capital by taking a small stake in a number of similar companies. As the companies progress through their regulatory and clinical trial journey, it becomes clearer which companies are most likely to succeed, at which point some ideas can be removed from the basket in favour of larger stakes in others. Currently the Company has baskets of stocks in the fields of obesity, liver, CNS (including mental health) and oncology as well as a basket of potential M&A candidates.

Preserving capital through binary event trading and trading discipline

Investing in liquid stocks is crucial to the Company's Portfolio Managers due to their active trading in the portfolio.

Investors tend to be optimistic, which means that as a company approaches a point in its development where the result will be binary (the drug is toxic or it isn't; the drug works, or it doesn't; the drug is approved, or it isn't), the value of the company tends to rise, thanks to optimistic investors buying the shares. The Portfolio Managers like to hold the shares during this optimistic price rise, but reduce the position ahead of the announcement of the news, in order not to expose the portfolio to a potential catastrophic loss in the event of bad news. It may mean that the Company misses out on part of the price rise, but it can buy the shares back at a lower risk-weighted valuation after a positive announcement if it chooses to do so. This approach has historically led to lower volatility in the Company than the Reference Index.

Trading discipline is also important – even when a company meets all the criteria of compelling science, a great management team and good prospects, if the valuation has become dislocated from the future financial prospects for the company, the investment has to be reevaluated. In a sector which experiences swings into euphoria, it is important not to be seduced by the hype and have the discipline to sell a good stock which has become overvalued, in order to preserve capital.

Managing the gearing level

The Company has a secured credit facility which enables it to borrow extra money to invest which can generate superior returns in a rising market but can enhance losses in a market correction. The Company's Portfolio Managers' view on the investment cycle is important in informing their decision as to when to deploy gearing. During the year ended 31 August 2024, the Portfolio Managers increased gearing to a high of 14% when the cycle first appeared to be turning to a more stable outlook and have since reduced it to a more normalised level of around 5%.

ESG policy

The Company delegates responsibility to the Manager for taking environmental, social and governance ("ESG") issues into account when assessing the selection, retention and realisation of investments. The Board expects the Manager to engage with investee companies on social, environmental and governance issues and to promote best practice. The Board expects the Manager to exercise the Company's voting rights in consideration of these issues.

In addition to the description of the Manager's integration of ESG into the investment process below, a description of the Manager's detailed ESG policy can be found at https://mybrand.schroders.com/m/6197143c263420f5/original/Schroders-Group-Sustainable-Investment-Policy.pdf and its engagement with investee companies on these matters can be found at https://www.schroders.com/en/sustainability/active-ownership/.

The Board notes that Schroders believes that companies with good ESG management often perform better, are more resilient and deliver superior returns over time. Engaging with companies to understand how they approach ESG management is an integral part of the investment process. Schroders is compliant with the UK Stewardship Code and its compliance with the principles therein is reported on its website.

The Board receives regular reports from the Manager on the application of its ESG policy.

These following paragraphs reflect the ESG views and activities of the Manager in relation to the Company's portfolio, and more widely.

References to 'our' or 'we' in this section of the report refer to the Manager.

Integration of ESG into the investment process

Schroders has been considering ESG issues, and sustainability generally, for over 25 years. Schroders has a team of dedicated ESG professionals who develop proprietary ESG tools and oversee ESG analysis across Schroders.

The investment team responsible for managing the Company, works closely with the Schroders dedicated Sustainable Investment team to engage with companies, prioritising those with exposure to higher ESG risk and low ESG ratings. During these company meetings the Portfolio Managers will discuss specific sustainability issues, engaging with company sustainability experts directly, in addition to financial performance and governance matters.

How does ESG analysis embed itself into the investment process for the Company?

ESG principles have gained increased momentum in the biotechnology sector and are progressively influencing investment decisions, corporate strategies and regulatory frameworks. Disclosure and standardisation of data across companies is still limited, however, we believe that examining a wider range of factors than those that are captured in traditional investment analysis allows a more complete view of potential investment drivers leading to better-informed investment decisions.

The Company does not target any specific sustainability outcomes and any positive outcome is an indirect result of our investment approach. Nevertheless, we integrate ESG considerations into our research and investment decisions with the aim of maximising risk-adjusted returns for the Company. Consequently, we do not think about ESG as a separate investment discipline, but rather as an integral component to the way in which we evaluate and appraise stocks that are under consideration for the Company. For us, ESG integration is the process of identifying, analysing and incorporating relevant and material ESG factors into investment decisions as well as the ongoing monitoring of the portfolio and engagement with investee companies.

The investment team's approach to ESG research is broadly defined and constitutes any non-financial factor that is considered likely to have a material impact on the forward growth trajectory, or the variability of growth, of a business. The determination of this resides with the investment team, shaped by discussions with members of the Schroders sustainable investment team.

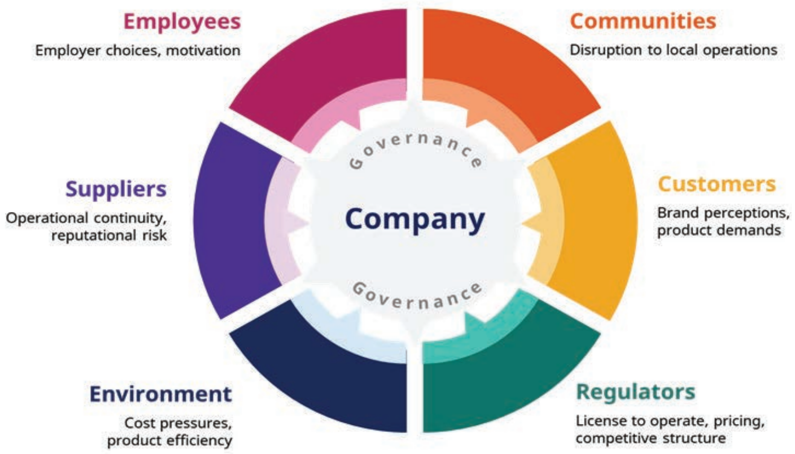
For example, from a social perspective the investment team may consider how companies are addressing global health challenges, while ensuring that these innovations are accessible and affordable. Other ethical considerations in clinical trials, such as ensuring diversity in trial participants and safeguarding patient rights, may also be assessed.

From a governance perspective the investment team may look to see if companies have high standards of transparency, robust corporate governance structures and maintain compliance with regulations.

In order to assess and understand the potential impact of sustainability risks and opportunities, the investment team uses a range of internal and external tools in combination with sector-specific guidance from the Sustainability Accounting Standards Board to determine material ESG factors to build a holistic view of companies.

Schroders has invested in developing a range of proprietary research models and tools to gain insights into environmental, social and governance investment factors and help inform investment decisions where relevant to a particular investment strategy. The incorporation of SustainEx™ and CONTEXT™ – proprietary tools developed by the Sustainable Investment team – provides a baseline assessment that assists the investment team in developing its ESG appraisal.

CONTEXT™ uses a selection of data to assess a company's relationship with its stakeholders such as customers, suppliers, regulators and employees. This tool is interactive and customisable, enabling our investment analysts to select and weigh material sustainability trends for each sector and select the most relevant metrics for assessment in any given case. The tool gives our analysts the flexibility to make company-specific adjustments to reflect their specialist knowledge.



The team also leverages SustainEx™, in its analysis. SustainEx™ provides an estimate of the potential social and environmental 'costs' or 'benefits' that a company may create on a net basis. It does this by using certain metrics with respect to that company – quantifying them positively (for example the paying of 'fair wages') and negatively (for example for the carbon a company emits) to produce an aggregate notional measure of the effect that the relevant underlying company may have on society and the environment. The model enables our investment teams to integrate sustainability risk considerations by evaluating companies based on these factors. SustainEx also assesses the risks companies face if the social and environmental 'costs' they externalise were to be pushed into their own financial costs[1].

The investment team may use alternative methods to assess relevant holdings in the Company. The investment team may also draw information on investee companies from publicly available corporate information, company meetings, broker reports, industry bodies, research organisations, think tanks, legislators, consultants, Non-Governmental Organisations and academics. The Manager subscribes to external ESG research providers including MSCI ESG research, Bloomberg, Refinitiv, Sustainalytics and Morningstar. These are subject to periodic review and change.

Active ownership

Active ownership encompasses the Company's engagement and voting activities. The investment team believes that constructive and committed engagement with management teams at the companies and assets invested in is a key element of the responsibilities of investors and a clear demonstration of the value the company can bring to clients' investment returns over time. The Company aims to drive change that will protect and enhance the value of investments and is committed to leveraging the weight of Schroders to change how a company is operating for the better. The investment team believes this is an important aspect of the role as stewards of clients' capital and can help clients meet their long-term financial goals in line with the company's fiduciary responsibilities.

[1] SustainEx utilises and is reliant on, and subject to the limitations of, third party data as well as Schroders' own modelling assumptions, and the outcome may differ from other sustainability tools and measures.

Our active ownership priorities reflect the combined perspectives of the investment team and sustainable investment team. We focus on sustainability issues which we determine to be material to the long-term value of our investee holdings. When material and relevant, we believe that companies that address these factors, where lacking, will drive improved financial performance for our clients. These issues reflect expectations and trends across a range of issues but are not limited to compliance with local laws and regulations, ethical conduct codes and practices, product responsibility including drug safety, access to medicine, good governance practices, including controls for corruption, bribery and other criminal or unethical conduct etc. By strengthening relationships with stakeholders, business models become more sustainable. The governance structure and management quality that oversee these stakeholder relationships are also a focus for our engagement discussions.

We recognise our responsibility to make considered use of voting rights. We vote on both shareholder and management resolutions. The overriding principle governing our approach to voting is to act in line with our fiduciary responsibilities in what we deem to be the interests of our clients. We aim to support company management; however, we will oppose management recommendations if we believe that it is in the best interests of our clients. We apply our Voting Guidelines to each resolution, except to the extent that local or specific client requirements may apply. Our own research is integral to our process. Schroders' dedicated corporate governance specialists work with the Portfolio Managers to establish a view of the voting decision that is in the best long-term interests of our clients. We may draw on several different external resources, including but not limited to third party proxy research and public reporting.

How we engage

We use three key methods for practicing active ownership:

1. Dialogue: We speak with companies to understand if and how they are preparing for the long-term challenges they face.

2. Engagement: We work with companies to help them recognise the potential impact of these challenges and to help them take action in the areas where change may be required.

3. Voting (where applicable): We use our voice and rights as shareholders to make sure these changes take effect.

These forms of active ownership can take place directly with companies, led by our investment team in close collaboration with Schroders' Sustainable Investment team; they can also take place in collaboration with other groups. Engagement is therefore a component of the portfolio's investment strategy, from an environmental, social and governance perspective. We recognise that effective engagement requires continuous monitoring and ongoing dialogue. Where we have engaged repeatedly and seen no meaningful progress, we will escalate our concerns. Decisions on whether and how to escalate are based on the materiality of each issue, its urgency, the extent of our concern and whether the company has demonstrated progress through previous engagements. We identify a number of methods to escalate our engagements, such as meeting or otherwise communicating with non-executive directors or the chair of the Board, publicly stating our concerns, withholding support or voting against management and directors.

Our approach to active ownership focuses on achieving real-world outcomes and achieving change. When determining when to engage and setting an objective for the engagement, we consider:

1. Materiality: We seek to focus our engagement on the most material sustainability threats and opportunities to the company.

2. Regional context: The materiality of issues and the expectations we have of companies vary by country and region. They may be affected by, for example, differing socio-cultural factors, regulatory maturity and resource constraints. Where possible we reference country or regional initiatives, regulations and leading practice from peers in our dialogue with companies.

3. Realistic outcomes: We consider both leading practice and what could realistically be achieved by the company in the next few years, including considering the size of the company.

4. Ability to monitor progress: We use objective, measurable metrics or indicators that can be used to assess company performance on an issue.

5. Length of engagement: We aim to set short- to mid-term objectives – that can often be achieved over a 12- to 24-month period depending on the intensity of the engagement – but with a longer-term vision in mind.

Our engagement takes place through a mix of meetings with management and voting. We aim to set pre-defined SMART (specific, measurable, achievable, realistic and time-bound) engagement objectives. Our voting record will be closely monitored and we plan to regularly monitor our progress against the engagement objectives, at least annually, and at a frequency that is appropriate for the priority of the engagement and materiality of the holding. That said, we recognise that engagement does not always lead to tangible outcomes, the length of time to achieve an objective will vary depending upon its nature, and that key strategic changes will take time to incorporate into a company's business process. A measurable outcome from our engagement upon completion of an objective could take a range of forms, including additional disclosure by a company, evidence of influencing the company strategy on a particular issue, or a change to the governance of an issue. We expect to have a more comprehensive record of our engagement by the end of the next fiscal year, taking into account the time taken to align the Company with Schroders' ESG policy and processes.

Engagement with portfolio company Harmony Biosciences

Situation

Harmony Biosciences specialises in developing and delivering treatments for rare neurological disorders and is part of the Company's CNS portfolio. In March 2023 research specialist, Scorpion Capital published a note accusing Harmony Biosciences of concealing data concerning serious adverse side effects of its narcolepsy drug Wakix and filed a citizen petition, requesting the FDA to change the policy for the specific product.

Action

The Portfolio Managers contacted an independent expert in the field of FDA processes to ask whether the concerns raised had any basis in fact. The Company then organised a call with the management of Harmony Biosciences and invited the FDA expert to join the call to raise the specific allegations with the management team.

Outcome

Harmony Biosciences' management team reassured the Portfolio Managers, and the FDA, expert that the safety concerns had no basis and confirmed that the FDA are undertaking a quarterly safety review of the drug. Had there been any genuine safety concerns, the FDA would have stepped in. The Portfolio Managers decided to retain the holding. In June 2024, the FDA clarified that it had carefully considered the information submitted in the petition, and based on its review, the petition was denied.

Top 10 Quoted Investments

1 Intra-Cellular Therapies

Market cap: US$7.7bn
% of investments: 4.7% (2023: 3.0%)
Therapeutic area: Central nervous system ("CNS")

Description

Intra-Cellular Therapies is developing innovative treatments for people living with complex psychiatric and neurologic diseases. It has a product approved to treat schizophrenia and bipolar depression.

Investment rationale

Derisked, revenue growth company with strong launch of its lead asset Caplyta which is considered to be one of the safest drugs on the market. Continued successful sales growth will be an important measure of success. There is also the possibility of expanding into other subtypes of CNS diseases such as major depression. A possible M&A target.

2 Vera Therapeutics

Market cap: US$2.1bn
% of investments: 4.6% (2023: 3.8%)
Therapeutic area: Auto-immune

Description

Vera Therapeutics is a clinical-stage biotechnology company focused on developing treatments for immunological diseases. Its lead product (atacicept) seeks to address the causes of a rare kidney condition called IgA Nephropathy. A possible M&A target.

Investment rationale

Atacicept is potentially the first in class in the field of a disease modifying treatment for IgA Nephropathy.

Phase 3 data is expected in mid-2025. A possible M&A target.

3 Supernus Pharmaceuticals

Market cap: US$1.9bn
% of investments: 4.6% (2023: 4.4%)
Therapeutic area: CNS

Description

Supernus is developing treatments that help treat neurological and psychiatric conditions including ADHD, epilepsy, Parkinsons Diseases, and Migraine.

Investment rationale

Supernus sells a non-stimulant treatment for ADHD (Qelbree), providing an alternative option for children and adults who suffer from ADHD. The launch statistics for their approved product Qelbree will be an important indicator of future success. A possible M&A target.

4 BeiGene

Market cap: US$21.0bn
% of investments: 4.1% (2023: 0.7%)
Therapeutic area: Oncology

Description

BeiGene is a global oncology company founded in China which is focused on developing innovative and affordable medicines primarily to improve cancer treatment. The company's lead marketed asset is Brukinsa, used to treat a specific form of blood cancer. The drug made $2.3 billion in revenues in 2023.

Investment rationale

BeiGene sells a BTK inhibitor for CLL which has shown best in class data versus competitor BTK inhibitors. The product pipeline is maturing, and the company is on the cusp of turning profitable. The launch statistics for Brukinsa will be an important indicator of future success.

5 BioMarin Pharmaceutical

Market cap: US$17.4bn
% of investments: 4.0% (2023: 3.7%)
Therapeutic area: Rare diseases

Description

BioMarin has products approved that treat rare life-threatening genetic conditions such as achondroplasia, haemophilia A and other inherited conditions and is working on trials of products for other serious genetic conditions such as Duchenne, MPS IVA and VI, PKU and CLN2.

Investment rationale

BioMarin is one of the largest Orphan drug pure plays. After a disappointing launch of its haemophilia A gene therapy, the company looks to be set for recovery with the incoming new CEO. It has several products on the market with growth potential. A possible M&A target.

6 Alnylam Pharmaceuticals

Market cap: US$33.7bn
% of investments: 3.1% (2023: 2.4%)
Therapeutic area: Rare diseases

Description

Alnylam is focused on the discovery, development and commercialisation of RNA interference therapeutics for genetically defined diseases. It has products approved including one for familial transthyretin-mediated ("ATTR") amyloidosis polyneuropathy with a potential label expansion into ATTR cardiomyopathy, a much larger market.

Investment rationale

Alnylam recently reported positive phase 3 data for their lead asset, Vutisiran in familial ATTR cardiomyopathy, which is already approved for polyneuropathy for patients with ATTR amyloidosis. There is a possibility of market expansion should the FDA approve the label expansion into ATTR amyloidosis with cardiomyopathy. The company plans to file for marketing authorisation with the FDA by 2024 year end.

7 Cytokinetics

Market cap: US$6.7bn
% of investments: 2.8% (2023: 0.3%)
Therapeutic area: Other

Description

Cytokinetics is focused on modulating proteins in the sarcomere, the fundamental unit of muscle contraction found within muscle cells. The company recently announced successful phase 3 results for its lead asset which is now under a regulatory approval review process.

Investment rationale

Cytokinetics has filed its drug Aficamten with the regulator after positive data in phase 3 trials. The result of this filing is a potential important catalyst for the stock. There is the potential for this drug to carry the best-in-class label with fewer restrictions than the currently approved drug Mavacampten. A possible M&A target.

8 Insmed

Market cap: US$13.1bn
% of investments: 2.7% (2023: 0.2%)
Therapeutic area: Rare diseases

Description

Insmed aims to address rare diseases, currently mainly focused on respiratory conditions. The company recently reported positive data in bronchiectasis, a high unmet medical need with no effective treatment options.

Investment rationale

After positive phase 3 data, the company has filed Brensocatib for approval in bronchiectasis. The market will be monitoring for the FDA's decision on the filing which is expected in 2025. A possible M&A target.

9 Biogen

Market cap: US$29.8bn
% of investments: 2.6% (2023: 1.7%)
Therapeutic area: CNS

Description

Biogen is a leading global biotechnology company that pioneers science and drives innovations for complex and devastating diseases, primarily in neurological conditions. Biogen's lead asset is a treatment for Alzheimer's patients which is now launched. The company is also developing a more convenient option for patients that can be administered at home instead of in the hospital setting.

Investment rationale

Profitable established biotechnology company with a cash flow generating base business and a newly launched drug for Alzheimer's disease. Further positive news is possible if the subcutaneous version of Leqembi is approved.

10 Moderna

Market cap: US$29.8bn
% of investments: 2.5% (2023: n/a)
Therapeutic area: Infectious diseases

Description

Moderna has built the world's leading mRNA platform which has multiple potential uses. Building on the success of its COVID vaccine, it is now researching other vaccines and other uses of mRNA technology including in the field of oncology.

Investment rationale

After the successful launch of the COVID vaccine from the company/s RNA platform, the focus is now shifting to applying the same technology to treat cancer. Further positive news could come in 2026 when the phase 3 data for its cancer vaccine in melanoma is expected.

Largest Unquoted Investments

1 SV Fund VI

% of investments: 4.4% (2023: 4.7%)
Venture Fund

Description
An investment in a venture capital fund, SV Fund VI, which invests in portfolio companies across three sectors: biotechnology (32%), healthcare services (43%) and medical devices (25%). SV Fund VI's portfolio consists of 13 underlying investments, one of which was listed as at 31 August 2024.

2 SV BCOF

% of investments: 2.8% (2023: 1.7%)
Venture Fund

Description
An investment in a venture capital fund, SV BCOF, which focuses on biotechnology companies that are either in the clinic and/or which have the potential to enter the clinic within 12 months (near clinical stage), typically Series B and beyond. The fund will also invest in listed equities subject to the restrictions set out in its investment guidelines. The fund's portfolio consists of seven underlying investments.

Investment Portfolio
as at 31 August 2024

Quoted Investments
Equities

Investment	Therapeutic area	Geographic location	£'000	%
Intra-Cellular Therapies	Central nervous system	United States	14,020	4.7
Vera Therapeutics	Auto-immune	United States	13,718	4.6
Supernus Pharmaceuticals	Central nervous system	United States	13,703	4.6
BeiGene	Oncology	United States	12,286	4.1
Biomarin Pharmaceutical	Rare diseases	United States	11,982	4.0
Alnylam Pharmaceuticals	Rare diseases	United States	9,166	3.1
Cytokinetics	Other	United States	8,446	2.8
Insmed Inc	Rare diseases	United States	8,150	2.7
Biogen Inc	Central nervous system	United States	7,623	2.6
Moderna	Other	United States	7,466	2.5
Ultragenyx Pharmaceutical	Rare diseases	United States	6,704	2.3
Gilead Sciences	Infectious diseases	United States	6,583	2.2
Uniqure	Haematology	Europe	6,526	2.2
Apellis Pharmaceuticals	Rare diseases	United States	6,488	2.2
Amgen	Oncology	United States	6,164	2.1
Xenon Pharmaceuticals	Other	Canada	5,409	1.8
Ascendis Pharma	Rare diseases	Europe	4,731	1.6
Kalvista Pharmaceuticals	Rare diseases	United States	4,390	1.5
Argen X	Auto-immune	Europe	4,352	1.5
Blueprint Medicines	Oncology	United States	4,228	1.4
Acadia Pharmaceuticals	Central nervous system	United States	4,177	1.4
Vanda Pharmaceuticals	Central nervous system	United States	4,170	1.4
Biohaven	Central nervous system	United States	4,042	1.4
Axsome Therapeutics	Central nervous system	United States	3,936	1.3
Madrigal Pharmaceuticals	Liver	United States	3,919	1.3
Akero	Other	United States	3,814	1.3
Structure Therapeutics	Other	United States	3,709	1.2
Zai Lab Ltd	Oncology	United States	3,624	1.2
Autolus Therapeutics	Cell therapy	United States	3,564	1.2
Sarepta Therapeutics	Rare diseases	United States	3,496	1.2
Rocket Pharmaceuticals	Rare diseases	United States	3,363	1.1
Amicus	Rare diseases	United States	3,260	1.1
Neurocrine Biosciences	Central nervous system	United States	3,185	1.1
Corbus Pharmaceuticals	Metabolic	United States	2,997	1.0
Grifols	Medical technology	United States	2,917	1.0
SpringWorks Therapeutics	Oncology	United States	2,757	0.9
Illumina Inc	Oncology	United States	2,692	0.9
Jazz Pharmaceuticals	Rare diseases	Europe	2,655	0.9
Janux Therapeutics	Oncology	United States	2,655	0.9
Altimmune	Metabolic	United States	2,416	0.8
Immatics	Oncology	United States	2,367	0.8
Denali Therapeutics	Central nervous system	United States	2,365	0.8
Apogee Therapeutics	Auto-immune	United States	2,276	0.8
Ideaya Biosciences	Oncology	United States	2,246	0.8
Dyne Therapeutics	Rare diseases	United States	2,081	0.7
Travere Therapeutics	Auto-immune	United States	2,049	0.7

Quoted Investments (continued)

Equities

Investment	Therapeutic area	Geographic location	£'000	%
Ionis Pharmaceuticals	Rare diseases	United States	2,040	0.7
Krystal Biotech	Rare diseases	United States	1,868	0.6
Immunocore	Oncology	United States	1,788	0.6
Legend Biotech	Oncology	United States	1,680	0.6
Alkermes	Central nervous system	United States	1,561	0.5
Kymera Therapeutics	Auto-immune	United States	1,550	0.5
Celldex	Auto-immune	United States	1,513	0.5
PTC Therapeutics	Rare diseases	United States	1,377	0.5
Novocure	Oncology	Europe	1,095	0.4
Iovance Biotherapeutics	Oncology	United States	1,019	0.3
Kura Oncology	Oncology	United States	975	0.3
Syndax Pharmaceuticals	Oncology	United States	899	0.3
Edgewise Therapeutics	Cardiovascular	United States	887	0.3
Vaxcyte	Rare diseases	United States	882	0.3
CRISPR Therapeutics	Rare diseases	Europe	835	0.3
Evotec Oai	Other	Europe	826	0.3
Harmony Biosciences	Rare diseases	United States	810	0.3
Relay Therapeutics	Oncology	United States	794	0.3
Olema Pharmaceuticals	Oncology	United States	737	0.2
Guardant Health	Other	United States	710	0.2
Avadel Pharmaceuticals	Central nervous system	United States	647	0.2
Biocryst Pharmaceuticals	Rare diseases	United States	554	0.2
Scholar Rock	Metabolic	United States	503	0.2
Beam Therapeutics	Rare diseases	United States	477	0.2
Arvinas	Oncology	United States	472	0.2
Intellia Therapeutics	Rare diseases	United States	410	0.1
Terns Pharmaceuticals	Metabolic	United States	359	0.1
Marinus Pharmaceuticals	Central nervous system	United States	311	0.1
Prothena	Central nervous system	United States	254	0.1
Skye Bioscience	Metabolic	United States	107	–
GRAIL	Oncology	United States	76	–
Total equities			**270,883**	**91.1**

Unquoted Investments

Investments held through a venture fund

Investment	Sector classification	Geographic location	As at 31 August 2024 £'000	%
SV Fund VI	Venture fund	United States	13,120	4.4
SV BCOF	Venture fund	United Kingdom	8,432	2.8
Total investments held through a venture fund			**21,552**	**7.2**

Exited investments with contingent milestones

Exited unquoted companies for which the Company retains rights to receive future contingent performance-based payments are shown below:

Investment	Therapeutic area	Geographic location	As at 31 August 2024 £'000	%
Ikano Therapeutics	Auto-immune	United States	4,382	1.5
Convergence	Auto-immune	United States	309	0.1
Total exited investments with contingent milestones			**4,691**	**1.6**

Exited investments in liquidation

Investment	Therapeutic area	Geographic location	As at 31 August 2024 £'000	%
TopiVert	Other	United Kingdom	40	–
Total exited investments in liquidation			**40**	**–**

Directly-held unquoted investments

Directly-held unquoted investments held by the Company are shown below:

Investment	Therapeutic area	Geographic location	As at 31 August 2024 £'000	%
Autifony Therapeutics	Other	United Kingdom	341	0.1
Total directly-held unquoted investments			**341**	**0.1**

Investments in unquoted companies that have previously been written down to nil net book value, but where ownership in the Company is retained, are not disclosed in this table.

Summary of Investments

	As at 31 August 2024 £'000	%
Equities	270,883	91.1
Investments held through a venture fund	21,552	7.2
Exited investments with contingent milestones	4,691	1.6
Exited investments in liquidation	40	–
Directly-held unquoted investments	341	0.1
Total investments	**297,507**	**100.0**

Investments in unquoted companies that have previously been written down to nil net book value, but where ownership in the Company is retained, are not disclosed in this table.

Purpose, values and culture

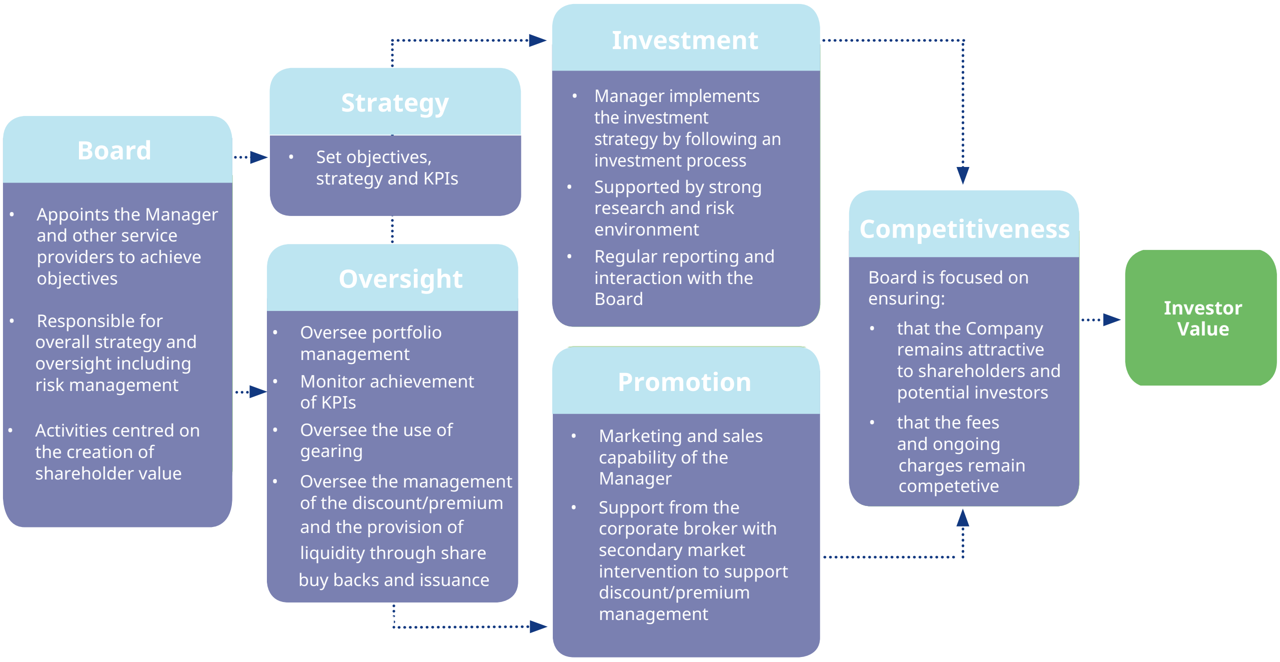
The Company's purpose is to create long-term shareholder value, in line with the investment objective.

The Company's culture is driven by its values: transparency, engagement and rigour, with collegial behaviour and constructive, robust challenge. The values are all centred on achieving returns for shareholders in line with the Company's investment objective. The Board also sets out the effective management or mitigation of the risks faced by the Company and, to the extent it does not conflict with the investment objective, aims to structure the Company's operations with regard to all its stakeholders and take account of the impact of the Company's operations on the environment and community.

As the Company has no employees and acts through its service providers, its culture is represented by the values and behaviour of the Board and third parties to which it delegates. The Board aims to fulfil the Company's investment objective by encouraging a culture of constructive challenge with all key suppliers and openness with all stakeholders. The Board is responsible for embedding the Company's culture in its operations.

Business model

The Board appointed Schroder Unit Trusts Limited (the "Manager"), with effect from 20 November 2023, to implement the investment strategy and to manage the Company's assets in line with the appropriate restrictions placed on it by the Board, including limits on the type and relative size of holdings which may be held in the portfolio and on the use of gearing, cash, derivatives and other financial instruments as appropriate. The terms of the appointment of the Manager, and the delegation by the Manager of investment management services to Schroder Investment Management Limited ("SIM" or the "Investment Manager"), are described more completely in the Directors' Report. The Manager also promotes the Company using its sales and marketing teams. The Board and Manager work together to deliver the Company's investment objective, as demonstrated in the diagram below.



Investment trust status

The Company carries on business as an investment trust. Its shares are listed and admitted to trading on the main market of the London Stock Exchange. It has been approved by HM Revenue & Customs as an investment trust in accordance with section 1158 of the Corporation Tax Act 2010, by way of a one-off application and it is intended that the Company will continue to conduct its affairs in a manner which will enable it to retain this status.

The Company is domiciled in the UK and is an investment company within the meaning of section 833 of the Companies Act 2006. The Company is not a "close" company for taxation purposes.

Continuation vote

It is not intended that the Company should have a limited life but the Directors consider it desirable that the shareholders should have the opportunity to review the future of the Company at appropriate intervals. Accordingly, the Articles of Association contain provisions requiring the Directors to put a proposal for the continuation of the Company to shareholders at two yearly intervals. Accordingly, a continuation vote will be proposed at the AGM to be held in 2025.

Investment model

Investment objective

The Company's investment objective is to achieve long-term capital growth by investing in biotechnology and other life sciences companies.

Investment policy

The Company will seek to achieve its objective by investing in a diversified portfolio of companies which may be quoted or unquoted and whose shares are considered to have good growth prospects, with suitably experienced management and strong potential upside through the development and/or commercialisation of a product, device or enabling technology. Investments may also be made in related sectors such as medical devices and healthcare services. While the Company's portfolio is held as one pool of assets, for operational purposes there is a quoted portfolio and an unquoted portfolio. The portfolio is diversified by geography, industry sub-sector and investment size with no single investment in a company normally accounting for more than 15% of the portfolio at the time of investment.

The portfolio is split between large, mid and small-capitalisation companies, primarily quoted on stock exchanges in North America, where the most established and commercial biotechnology and other life sciences companies operating in related sectors are based, though investments may also be made in Europe, Asia and Australia. Investments may also be made into unquoted companies and into funds not quoted on a stock exchange, including venture capital funds. This may include funds managed by the Fund Manager and/or members of its group. The primary purpose of investment in unquoted funds will be to gain exposure to unquoted companies.

The Company may invest through equities, index-linked securities and debt securities, cash deposits, money market instruments and foreign currency exchange transactions. Forward or derivative transactions are not used by the Company.

The Company may borrow from time to time to exploit specific investment opportunities, rather than to apply long-term structural gearing to the Company's portfolio of investments.

Investment restrictions

The Company observes the following investment restrictions:

- The Company will invest primarily in biotechnology and other life science companies that are either quoted or unquoted.
- The Company will normally invest no more than 15% in aggregate, of the value of its gross assets in any one individual company at the time of acquisition.
- The great majority of the Company's assets will be invested in the quoted biotechnology sector with a global mandate across the entire spectrum of quoted companies. The weighting of investment in unquoted companies will vary according to the attractiveness of the opportunities identified.
- Gearing is restricted to 30% of NAV.
- The Company will invest no more than 15% in aggregate, of the value of its gross assets in other closed-ended investment companies quoted on the London Stock Exchange or any other stock exchanges.

No material change will be made to the investment objective or policy without the approval of shareholders by ordinary resolution.

Promotion

The Company promotes its shares to a broad range of investors who have the potential to be long-term supporters of the investment strategy. The Company seeks to achieve this through its Manager and corporate broker, which promote the shares of the Company through regular contact with both current and potential shareholders as well as their advisers.

These activities consist of investor lunches, one-on-one meetings, regional road shows and attendances at conferences for professional investors. In addition, the Company's shares are supported by the Manager's wider marketing of investment companies targeted at all types of investors; this includes maintaining close relationships with adviser and execution-only platforms, advertising in the trade press, maintaining relationships with financial journalists and the provision of digital information on Schroders' website. The Board also seeks active engagement with investors, and meetings with the Chair are offered to investors when appropriate, and further details are provided in the section 'Relations with shareholders' below.

Shareholders are encouraged to sign up to the Manager's Investment Trusts update, to receive information on the Company directly https://www.schroders.com/en-gb/uk/individual/never-miss-an-update/.

Details of the Board's approach to discount management and share issuance may be found in the Chair's Statement on page 5 and in the Annual General Meeting – Recommendations on page 88.

Relations with shareholders

Shareholder relations are given high priority by both the Board and the Manager. The Company communicates with shareholders through its web pages, monthly factsheets and the Annual and Half Year Reports which aim to provide shareholders with a clear understanding of the Company's activities and its results.

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the management group (either the Company Secretary or the Manager) in situations where direct communication is required. Representatives from the Board offer to meet with major shareholders on an annual basis in order to ascertain their views.

The Company Secretary acts on behalf of the Board, not the Manager, and there is no filtering of communication. At each Board meeting, the Board receives full details of any communication from shareholders to which the Chair responds, as appropriate, on behalf of the Board. The Company Secretary has no express authority to respond to enquiries addressed to the Board and all communication, other than junk mail, is redirected to the Chair.

In addition, in relation to institutional shareholders, members of the Board may be either accompanied by the Manager or conduct meetings in the absence of the Manager.

In addition to the engagement and meetings held during the year described in "Promotion" above, the Chair of the Board, Committee Chairs and the other Directors attend the AGM and are available to respond to queries and concerns from shareholders.

Key performance indicators ("KPIs")

The Board reviews performance using a number of key measures, to monitor and assess the Company's success in achieving its objective. Further comment on performance can be found in the Chair's Statement. The following KPIs are used:

- NAV performance;
- Share price premium/discount;
- Share price performance and yield; and
- Ongoing charges ratio.

Some KPIs are Alternative Performance Measures ("APMs"), and further details and definitions of these terms can be found on page 93.

Stakeholder engagement

Section 172 of the Companies Act 2006

During the year, the Board discharged its duty under section 172 of the Companies Act 2006 to promote the success of the Company for the benefit of its members as a whole, having regard to the interests of its stakeholders. The Board has identified its key stakeholders as the Company's shareholders, the Investment Manager, the unquoted investment portfolio adviser, other service providers, investee companies and the Company's lender as well as wider society and the environment. The Board takes a long-term view of the consequences of its decisions, and aims to maintain a reputation for high standards of business conduct and fair treatment among the Company's shareholders. The Board notes that the Company has no employees and the impact of its own operations on the environment and local community is through the impact of its service providers or investee companies.

Fulfilling this duty helps to support the Company in achieving its long term investment objective and helps to ensure that all decisions are made in a responsible way. In accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, the Directors explain below how they have individually and collectively discharged their duties under section 172 of the Companies Act 2006 over the course of the year under review, the key decisions made during the year and related engagement activities.

Stakeholder	Significance	Engagement	2023/24 application
Shareholders	Continued shareholder support and engagement are critical to the continuing existence of the Company and the delivery of its long- term strategy.	– **AGM:** The Company welcomes attendance and participation from shareholders at the AGM. Shareholders have the opportunity to meet the Directors and the Portfolio Managers and ask questions. The Board values the feedback it receives from shareholders which is incorporated into Board discussions. – **Publications:** The Annual and Half Year results presentations, as well as monthly factsheets and the Portfolio Managers' blog, are available on the Company's web pages with their availability announced via the London Stock Exchange. Daily NAV updates are also issued to provide shareholders with transparent information on the Company's portfolio. Feedback and/or questions received from shareholders enable the Company to evolve its reporting. which, in turn, helps to deliver transparent and understandable updates. – **Shareholder communication:** The Company communicates with the shareholders periodically. Investors are offered the opportunity to meet the Chair, Senior Independent Director, or other Board members without using the Manager or Company Secretary as a conduit, by writing to the Company's registered office. The Board also corresponds with shareholders by letter and email, further details are provided in the section 'Relations with shareholders' on page 26. The Board receives regular feedback from its broker on investor engagement and sentiment. – **Investor Relations updates:** At every Board meeting, the Directors receive updates on share trading activity, share price performance and any shareholders' feedback, as well as any publications or comments in the press. To gain a deeper understanding of the views of its shareholders and potential investors, the Manager also undertakes Investor roadshows together with the Portfolio Managers during the year.	At the AGM in 2023 questions and feedback from shareholders were welcomed. The Board, along with the Portfolio Managers, look forward to meeting and interacting with shareholders at the AGM in December 2024. The Company's web pages host the Annual and Half Year Reports. Via the Company's web pages, shareholders can subscribe to the Schroders investment trusts newsletter to receive regular updates on the Company. The Chair of the Board and Senior Independent Director met with the Company's major shareholders following the announcement in February 2023 that SV Health had given the Company notice of termination of the existing investment management agreement and the appointment of SUTL as the new AIFM, in November 2023, to ensure their views were taken into account. The Manager and Portfolio Managers engaged with a number of the shareholders and investors during the year and regular feedback was provided to the Board. A number of promotional activities were undertaken during the year including Portfolio Manager interviews, podcasts, webinars and coverage in key publications. The Board continues to work with Kepler on promoting the Company through its research notes which are published once a year following the publication of the Company's annual results. The Company's appointed Broker, Deutsche Numis continues to provide a market in the Company Shares and provides feedback from investors to the Board.

Stakeholder	Significance	Engagement	2023/24 application
Investment Manager	Engagement with the Company's Investment Manager is necessary to evaluate its performance against the Company's stated strategy and to understand any risks or opportunities this may present.	Maintaining a close and constructive working relationship with the Investment Manager is crucial as the Board and the Investment Manager both aim to continue to achieve consistent, long-term returns in line with the investment objective. The Investment Manager attends all Board and certain Committee meetings in order to update the Directors on the performance of the investments and the implementation of the investment strategy and objective.	Representatives of the Manager and the Investment Manager, including the Portfolio Managers, attend each Board meeting to provide an update on the investment portfolio along with presenting on macroeconomic issues.
	The Investment Manager's performance is critical for the Company to deliver its investment strategy successfully and meet its objective to achieve long-term capital growth by investing in biotechnology and other life sciences companies.	Important components in the Board's collaboration with the Investment Manager: – Encouraging open discussion with the Investment Manager; – Support and constructive challenge of the Investment Manager including the robust negotiation of the Investment Manager's terms of engagement; and – Drawing on Directors' individual experience to support the Investment Manager by holding it to account regarding investment strategy, and challenging where necessary. set out in the Portfolio Managers' Review on pages 8 to 13. The Management Engagement Committee reviews the performance of the Manager, its remuneration and the discharge of its contractual obligations at least annually.	The portfolio activities undertaken by the Investment Manager and the impact of decisions affecting investment performance are set out in the Portfolio Managers' Review on pages 8 to 13.
Unquoted investment portfolio adviser	Responsibility for advising on the unquoted portfolio and actively monitoring and analysing the performance of the investments in the unquoted portfolio has been delegated to the unquoted investment portfolio adviser, SV.	Representatives of SV attend Board meetings on a bi-annual basis and report to each Board meeting. Between scheduled meetings, regular contact with SV is maintained to ensure that the Board is fully appraised of any material events.	Since the transition, the Board has received regular updates and information from SV Health on the unquoted portfolio, including an update, between scheduled Board meetings, which resulted in the release of a portfolio update announcement in respect of a NAV increase of £7.2 million resulting from the acquisition by Merck of EyeBio, a portfolio company in SV BCOF. Further details about the acquisition are provided in the Portfolio Managers' Review.
Other service providers	In order to operate as an investment trust with a premium listing on the London Stock Exchange, the Company relies on a diverse range of advisers and service providers. The Company ensures that the third parties to which the services have been outsourced complete their roles in line with contractual arrangements and expectation thereby supporting the Company.	The Board maintains regular contact with its key external providers, both through the Board and Committee meetings, where service providers are periodically invited to attend, as well as outside of the regular meeting cycle. Their advice, as well as their needs and views, are routinely taken into account. The need to foster business relationships with key service providers is central to Directors' decision making as the Board of an externally managed investment trust.	The Board engages regularly with service providers both in one-to-one meetings and via regular written reporting. Under delegated authority from the Board, the Management Engagement Committee reviewed all material third party service providers. The Board considered the ongoing appointments of its service providers to be in the best interests of the Company and its shareholders as a whole and will continue to monitor their progress in the year ahead.

Stakeholder	Significance	Engagement	2023/24 application
Investee companies	The Board is committed to responsible investing and actively monitors the activities of investee companies through its delegation to the Investment Manager.	The Investment Management team conducts face-to-face and/or virtual meetings with the management teams of all investee companies to understand current trading and prospects for their businesses, and to ensure that their ESG investment principles and approach are understood.	The Board received regular updates on engagement with investee companies from the Investment Manager at its Board meetings.
		The Investment Manager has discretionary powers to exercise the Company's voting rights on resolutions proposed by the investee companies within the Company's portfolio. The Investment Manager reports to the Board on stewardship (including voting) issues and the Board will question the rationale for voting decisions made.	During the year, the Investment Manager engaged with many of its investee companies and voted at shareholder meetings (further details can be found on page 18).
		By active engagement and exercising voting rights, the Investment Manager actively works with companies to improve corporate standards, transparency and accountability.	
Lender	Availability of funding and liquidity are key to the Company's ability to take advantage of investment opportunities as they arise.	The Manager manages the relationship with the Company's lender and reports to the Board at each meeting as and when required for renewals of terms or negotiation of loan covenants. The Manager provides a monthly statement of compliance of the loan covenants to the lender.	During the year, gearing was regularly considered. The Board cancelled and repaid the outstanding amount on the revolving credit facility with The Northern Trust Company in November 2023 and entered into a one year secured revolving facility agreement with The Bank of Nova Scotia, London Branch. The Board anticipates that an amendment and restatement agreement will be entered into with The Bank of Nova Scotia, London Branch on the expiration of the existing facility.
Wider society and the environment	Whilst strong long-term investment performance is essential for an investment trust, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Investment Manager must have regard to ethical and environmental issues that impact society. Hence ESG considerations are integrated into the Investment Manager's investment process and will continue to evolve.	The Board engages with the Investment Manager at each Board meeting in respect of its ESG considerations on existing and new investments.	Further details of the ESG practices and the ESG policy can be found in the Investment Approach and Process section of this report. The Board receives regular reports from its Manager and briefings from its corporate broker, auditors and the industry trade body (the Association of Investment Companies ("AIC")) on changes to regulations which could impact the Company and its industry. Directors also attend AIC events to keep up to date with industry trends and investor sentiment.

Examples of stakeholder consideration during the year

The Directors were particularly mindful of stakeholder considerations in reaching the following key decisions during the year ended 31 August 2024:

- The transition to the new Manager which included, with effect from 20 November 2023, the appointment of Schroder Unit Trusts Limited as the Company's Alternative Investment Fund Manager, the termination of the depositary agreement with Northern Trust Company and the appointment of HSBC Bank plc as depositary whilst Schroder Investment Management Limited was appointed as the Company Secretary.
- The agreement with Schroder Unit Trusts Limited to waive the management fee for the six months following 20 November 2023 to offset the costs associated with the transition.
- Following the transition to Schroders, the agreement with SV Health Managers LLP, to continue to provide advice on the current private equity exposure, primarily in the two venture capital funds SV Fund VI and SV BCOF.
- At the AGM in December 2023, shareholders voted by 99.9% in favour of continuation of the Company.
- The maintenance of the Company's dividend policy, subject to shareholder consent, in accordance with which the first interim dividend for the financial year of 13.9 pence per share was paid on 26 January 2024, and the second interim dividend of 14.5 pence per share was paid to shareholders on the register on 26 July 2024 on 23 August 2024.
- Following consideration of Board succession planning, the appointment of Alexa Henderson as a new non-executive Director and Audit Chair designate with effect from 1 January 2025, to succeed Caroline Gulliver who will step down from the Board after a short hand over to Ms Henderson.
- Continuing the Company's commitment to buying back shares to help manage the share price discount to NAV. During the year under review 2,483,273 shares were bought back and placed in treasury to be reissued when the share price returns to a premium.
- The repayment of the lending facility with Northern Trust which was replaced with a £55 million secured revolving credit facility provided by The Bank of Nova Scotia, London Branch.

Corporate and social responsibility

The Board recognises the Company's responsibilities with respect to corporate and social responsibility and engages with its outsourced service providers to safeguard the Company's interests. As part of this ongoing monitoring, the Board receives reporting from its service providers with respect to their: anti-bribery and corruption policies; Modern Slavery Act 2015 statements; diversity policies; financial crime policies; and greenhouse gas and energy usage reporting.

Diversity policy

The Board has adopted a diversity and inclusion policy. Appointments and succession plans will always be based on merit and objective criteria and, within this context, the Board seeks to promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths. The Board will encourage any recruitment agencies it engages to find a range of candidates that meet the objective criteria agreed for each appointment. Candidates for Board vacancies are selected based on their skills and experience, which are matched against the balance of skills and experience of the overall Board taking into account the criteria for the role being offered.

Statement on Board diversity – gender and ethnic background

The Board has made a commitment to consider diversity when reviewing the composition of the Board and notes the Listing Rule requirements regarding the targets on board diversity:

- at least 40% of individuals on the Board are women;
- at least one senior Board position is held by a woman; and
- at least one individual on the Board is from a minority ethnic background.

The FCA defines senior board positions as Chairman, Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") or Senior Independent Director ("SID"). As an investment trust with no executive officers, the Company has no CEO or CFO. In the Annual Report for the year ended 31 August 2023, the Board determined the senior board positions to be the Chair of the Board and the SID. However, following a review, by the Nomination Committee, which took into account the approach of other investment trusts, for the year ended 31 August 2024, the Board has reflected the senior positions of the Chair of the Board, the Chair of the Audit Committee and the SID in its diversity tables.

The Board has chosen to align its diversity reporting reference date with the Company's financial year end and proposes to maintain this alignment for future reporting periods. The following information has been provided by each Director through the completion of a questionnaire.

As at 31 August 2024, the Company met all of the criteria in relation to the number of women on the Board, for at least one senior board position to be held by a woman and for at least one individual on the Board to be from a minority ethnic background. There have been no changes since 31 August 2024 to the date of publication of the Annual Report and Financial Statements.

The below tables set out the gender and ethnic diversity composition of the Board as at 31 August 2024 and at the date of this report.

Gender identity

	Number of Board members	Percentage of the Board	Number of senior positions on the Board
Men	2	40	1
Women	3	60	2
Not specified/prefer not to say	–	–	–
Not specified/prefer not to say	–	–	–

Ethnic background

	Number of Board members	Percentage of the Board	Number of senior positions on the Board
White British or other White (including minority-white groups)	4	80	3
Mixed/Multiple Ethnic Groups	–	–	–
Asian/Asian British	–	–	–
Black/African/Caribbean/Black British	1	20	–
Other ethnic group, including Arab	–	–	–
Not specified/prefer not to say	–	–	–

Financial crime policy

The Company continues to be committed to carrying out its business fairly, honestly and openly, and operates a financial crime policy, covering bribery and corruption, tax evasion, money laundering, terrorist financing and sanctions, as well as seeking confirmations that the Company's service providers' policies are operating soundly.

Modern Slavery Act 2015

As an investment trust, the Company does not provide goods or services in the normal course of business and does not have customers. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015.

Climate

Greenhouse gas emissions and energy usage

As the Company outsources its operations to third parties, it has no significant greenhouse gas emissions and energy usage to report.

Taskforce for Climate-Related Financial Disclosures ("TCFD")

Investment trusts are currently exempt from the TCFD. The Board will continue to monitor the situation. However, the Company's Manager produces an annual product level disclosure consistent with the TCFD which can be found here:
https://mybrand.schroders.com/m/76b847c927542267/original/TCFD-GB98831M-International-Biotechnology-Trust-PLC-Active-20231231.pdf

Principal and emerging risks and uncertainties

The Board, through its delegation to the Audit Committee, is responsible for the Company's system of risk management and internal control and for reviewing its effectiveness. The Board has adopted a detailed matrix of principal risks affecting the Company's business as an investment trust and has established associated policies and processes designed to manage and, where possible, mitigate those risks, which are monitored by the Audit Committee on an ongoing basis. This system assists the Board in determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives.

Risk assessment and internal controls review by the Board

Risk assessment includes consideration of the scope and quality of the systems of internal control operating within key service providers, and ensures regular communication of the results of monitoring by such providers to the Audit Committee, including the incidence of significant control failings or weaknesses that have been identified at any time and the extent to which they have resulted in unforeseen outcomes or contingencies that may have a material impact on the Company's performance or condition.

Although the Board believes that it has a robust framework of internal controls in place this can provide only reasonable, and not absolute, assurance against material financial misstatement or loss and is designed to manage, not eliminate, risk.

Both the principal risks and uncertainties and the monitoring system are also subject to robust review at least annually. The last assessment took place in October 2024. As part of this review, a number of changes to the Company's matrix of principal risks were agreed which included simplifying the risk categories into which the Company's risks are divided. The table below sets out the categories into which the Company's risks are now divided being strategic, performance/investment and operational/service provider. It was also considered appropriate to remove the risk relating to the Company's continuation vote which was included as a principal risk for the year ended 31 August 2023 as the Company was subject to a continuation vote at the AGM in December 2023, shortly after the transition to Schroders. The vote was passed with 99.9% of the vote in favour of the continuation of the Company. The next continuation vote will not be proposed to shareholders until the AGM to be held in 2025 and this is not therefore considered a principal risk for the year ended 31 August 2024.

During the year, the Board discussed and monitored a number of risks which could potentially impact the Company's ability to meet its strategic objectives. The Board receives updates from the Investment Manager, Company Secretary and other service providers on emerging risks that could affect the Company. The Board was mindful of the evolving global environment during the year and the risks particularly posed by volatile markets and geopolitical uncertainty including US-China tensions and the impending US election. However, these are not factors which explicitly impact the Company's performance although they could exacerbate existing risks. Where relevant these have been incorporated in the table below.

The Board considered in detail whether there were any material emerging risks and has included the development of artificial intelligence as an emerging risk in the table below.

No significant control failings or weaknesses were identified from the Audit Committee's ongoing risk assessment throughout the financial year and up to the date of this report. The Board is satisfied that it has undertaken a detailed review of the risks facing the Company and that the internal control environment continues to operate effectively.

The Board considers that the risks set out in the table below are the principal risks currently facing the Company to deliver its strategy together with those actions taken by the Board and, where appropriate, its committees, to manage and mitigate those risks. The "Change" column on the right highlights at a glance the Board's assessment of any increases or decreases in risk during the year after mitigation and management. The arrows in the change column show the risks as increased or decreased or unchanged.

Risk	Mitigation and management	Change
Strategic		
Investment strategy The investment strategy may, if inappropriate, result in negative investor sentiment, leading to a reduction in the share price and the Company underperforming the market and/or its peer group companies.	The appropriateness of the Company's investment mandate and the long-term investment strategy is periodically reviewed by the Board and the success of the Company in meeting its stated objectives is monitored. The Board holds a strategy meeting each year to consider the investment objective and policy and the Company's longer term investment strategy.	
Investor appetite A loss of investor appetite for investment in the biotechnology sector as a result of political conditions, including US Food and Drug Administration and Federal Trade Commission policy, might materially affect the ability of the Company to achieve its objective and reduce demand for the Company's shares, leading to a wide discount.	The Portfolio Managers update the Board monthly and at each scheduled Board meeting on issues pertinent to the portfolio and the biotechnology sector generally, including the political landscape and expected future drivers. The Board reviews the global factors which may affect investor appetite, including US/China tensions, conflicts in Ukraine and the Middle East, and legislation concerning Medicare and drug pricing in the United States. These may persist as issues that could potentially have a negative impact on the biotechnology and healthcare sectors.	

Risk	Mitigation and management	Change
Performance/investment		
Macro factors The Company's returns are affected by changes in economic, financial and corporate conditions, which can cause market and exchange rate fluctuations. A significant fall in US equity markets is likely to adversely affect the value of the Company's portfolio. The biotechnology sector has its own specific risks leading to higher volatility than the broader equity market indices. In addition, the Financial Statements and performance of the Company are denominated in sterling because the Company is a UK company listed on the London Stock Exchange. However, the majority of the Company's assets are denominated in US dollars ("$"). Accordingly, the total return and capital value of the Company's investments can be significantly affected by movements in foreign exchange rates.	The Portfolio Managers consider carefully the portfolio composition by size of company, development stage and therapeutic area and adjusts accordingly. The Board is also supportive of the Portfolio Managers' approach of reducing exposure to companies with imminent binary events such as a readout of data from a clinical trial. The Portfolio Managers provide regular reports to the Board on general economic conditions as well as portfolio activity, strategy and performance, including risk monitoring. The reports are discussed in detail at Board Meetings, which are all attended by the Portfolio Managers, to allow the Board to monitor the implementation of the investment strategy and process.	
Share price performance Share price performance may consistently lag NAV performance leading to wide and persistent discount to NAV.	The share price relative to the NAV per share is kept under review as a key performance indicator and is considered against the Company's peers on a regular basis. The Board has implemented a robust share buyback and issuance policy which has been used consistently during the year under review with 2,483,273 shares being repurchased to be held in treasury. The use of the buy back authority is reviewed regularly. Proactive engagement with shareholders takes place via the AGM, feedback from shareholder presentations, and ad hoc meetings with members of the Board. The Manager provides a dedicated, experienced investment trust marketing team together with PR resource. The Manager and corporate broker monitor market feedback and the Board considers this at each quarterly meeting.	
ESG considerations The Board recognises that a responsible and proactive approach to ESG related factors can positively impact the performance and success of its portfolio companies and the Company. A failure to focus sufficiently on ESG matters may not promote the Company to shareholders in a way that generates investor demand.	The consideration of climate change risks and ESG factors is integrated into the investment process and reported at Board meetings. The ESG policy is set out in the Strategic Review. The Company uses data gathered by Sustainalytics to monitor the compliance of its quoted portfolio with an accepted set of ESG standards.	

Risk	Mitigation and management	Change
Operational/service provider		
Oversight of service providers Inadequate performance of service providers could lead to poor performance and/or exposure to a number of financial, regulatory and business risks. Service providers may terminate their services if they deem the company to no longer fit their business model.	The Board receives reports from the Manager and Investment Manager on its internal controls and risk management throughout the year, including those relating to cybersecurity, and receives assurances from all its other significant service providers on at least an annual basis. The Management Engagement Committee reviews the performance of key service providers at least annually. The Manager and Investment Manager also monitor closely the control environments and quality of services provided by third parties, including those of the Depositary, through service level agreements and regular meetings. Directors are invited to an annual internal controls briefing session, hosted by the Manager in respect of the internal controls of the Company's key service providers including the Company's depositary and custodian, HSBC, the Company's registrar, Equiniti, and Schroders Group Internal Audit team. Experienced service providers are appointed by the Company subject to due diligence processes and clearly documented contractual arrangements which include agreed service level specifications and notice periods for terminations. Further details of the internal controls which are in place are set out in the Audit Committee's Report on pages 43 to 46.	
Information technology, resilience and security Cyber risk such as fraud, sabotage or crime perpetrated against the Company or any of its third party service providers could result in data theft, service disruption and reputational damage.	Cybersecurity is closely monitored by the Audit Committee as part of the review of the internal controls of its service providers. Schroders IT security team presents to the Directors on the Manager's cybersecurity controls as part of the annual internal controls briefing session hosted by Schroders.	

Emerging

Artificial Intelligence ("AI")

Whilst there are opportunities and benefits associated with the development of AI, and a risk of not embracing these opportunities and benefits, the development of AI presents potential risks to businesses in almost every sector. The extent of the risk presented by AI is extremely hard to assess at this point but the Board considers that it is an emerging risk and together with the Manager and Investment Manager will monitor developments in this area.

A full analysis of the financial risks facing the Company is set out in note 19 to the Financial Statements on pages 77 to 85.

Viability Statement

The Directors have assessed the viability of the Company over a five year period, taking into account the Company's position at 31 August 2024 and the potential impact of the principal risks and uncertainties it faces for the review period. The Directors have assessed the Company's operational resilience and they are satisfied that the Company's outsourced service providers will continue to operate effectively, following the implementation of their business continuity plans.

The Board believes that a period of five years reflects a suitable time horizon for strategic planning, taking into account the investment policy, liquidity of investments, payment of commitments, potential impact of economic cycles, nature of operating costs, dividends and availability of funding. This time period also reflects the average holding period of an investment.

In its assessment of the viability of the Company, the Directors have considered each of the Company's principal and emerging risks and uncertainties detailed on pages 32 to 34.

The Board has assumed that the business model of a closed ended investment company, as well as the Company's investment objective, will continue to be attractive to investors. The Directors also considered the beneficial tax treatment the Company is eligible for as an investment trust. If changes to these taxation arrangements were to be made it would affect the viability of the Company to act as an effective investment vehicle.

The viability of the Company in the event of a severe fall in market prices has been considered by the Board in the form of a stress test. The Board concluded that it would expect to be able to ensure the financial stability of the Company as a consequence of a diversified portfolio of (primarily) listed and realisable assets. Note 19 to the Financial Statements, sets out other factors also considered by the Board including price risk (the sensitivity of the value of shareholders' funds to changes in the fair value of the Company's investments), foreign currency sensitivity (the sensitivity to changes in key exchange rates to which the portfolio is exposed) and interest rate sensitivity (the sensitivity to changes in the interest rate charged on the Company's secured credit facility).

Whilst the Company's Articles of Association require that a proposal for the continuation of the Company be put forward at the AGM in 2025 and every other year thereafter, the Directors have no reason to believe such a resolution would not be passed by shareholders.

The Directors have also considered the Company's income and expenditure projections and the fact that the Company's investments primarily comprise readily realisable securities which can be sold to meet funding requirements if necessary. Based on the Company's processes for monitoring operating costs, the Board's view that the Manager has the appropriate depth and quality of resource to achieve superior returns in the longer term, the portfolio risk profile, limits imposed on gearing, counterparty exposure, liquidity risk and financial controls, the Directors have concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period of their assessment.

Going concern

The Directors have assessed the principal risks, the impact of the emerging risks and uncertainties and the matters referred to in the viability statement. Based on the work the Directors have performed, they have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the period assessed by the Directors, which is at least 12 months from the date the Financial Statements were authorised for issue.

By order of the Board

Schroder Investment Management Limited
Company Secretary

4 November 2024

Governance

Governance

Kate Cornish-Bowden

Independent non-executive Chair and Chair of the Management Engagement Committee

Length of service: 4 years – appointed a non-executive Director in May 2020, Senior Independent Director in December 2021 and Chair of the Board and Management Engagement Committee in December 2022.

Experience: Kate Cornish-Bowden is a non-executive Director of Finsbury Growth & Income Trust plc, CC Japan Income & Growth Trust plc where she is Chair of the Audit Committee and European Assets Trust PLC of which she is also the SID and Chair of the Remuneration and Nomination Committees. Kate was formerly a non-executive Director of Schroder Oriental Income Fund Limited, Calculus VCT plc and Scancell Holdings plc.

Kate worked for 12 years as a fund manager for Morgan Stanley Investment Management, where she was managing director and head of the global equity team. Prior to Morgan Stanley she worked as a research analyst at M&G. Kate is a member of the Chartered Financial Analyst Institute ("CFA"), holds a Masters in Business Administration ("MBA"), and has completed the Financial Times Non-Executive Director Diploma.

Contribution: The Nomination Committee has reviewed the contribution of Kate in light of her proposed re-election, and concluded that her extensive experience in fund management and as a non-executive Director on other investment trust boards enables her to bring valuable insight to the Board's deliberations. In addition, she chairs the Company expertly, fostering a collaborative engagement between the Board and Manager while ensuring that meetings remain focused on the key areas relevant to stakeholders.

Committee membership: Audit, Management Engagement (Chair), and Nomination Committees

Remuneration for the year ended 31 August 2024: £59,185, inclusive of a one-off fee of £14,685 following completion of the transition to Schroders.

Number of shares held: 12,500

Gillian Elcock

Independent non-executive Director and Chair of the Nomination Committee

Length of service: 1 year – appointed a non-executive Director in February 2023 and Chair of the Nomination Committee in December 2023.

Experience: Gillian Elcock has extensive asset management and investment research experience. She is the founder of Denny Ellison, an independent investment research and training company, and was its managing director for ten years. Prior to this, she worked as an equity research analyst for several years at Putnam Investments and Insight Investment.

Gillian is a non-executive Director of Melrose Industries PLC, STS Global Income & Growth Trust plc, Octopus Apollo VCT plc and 25 X 25 Ltd. She is also a member of the board of the CFA Society of the UK. She holds an MBA from the Harvard Business School and MEng and BSc degrees from the Massachusetts Institute of Technology.

Contribution: The Nomination Committee has reviewed the contribution of Gillian in light of her proposed re-election, and concluded that her extensive asset management and investment research experience means she is able to bring significant insight to the Board's decision making and broadens the Board's overall expertise.

Committee membership: Audit, Management Engagement and Nomination (Chair) Committees

Remuneration for the year ended 31 August 2024: £38,221, inclusive of a one-off fee of £7,500 following completion of the transition to Schroders.

Number of shares held: 1,407

Caroline Gulliver

Independent non-executive Director and Chair of the Audit Committee

Length of service: 9 years – appointed a non-executive Director in April 2015 and Chair of the Audit Committee in July 2016.

Experience: Caroline Gulliver spent a 25 year career with Ernst & Young LLP, from where she retired in 2012 to pursue other interests including non-executive directorship positions. She is a Chartered Accountant with a background in the provision of audit and advisory services to the asset management industry, with a particular focus on investment trusts. She is also a non-executive Director and Audit Committee Chair of JPMorgan Global Emerging Markets Income Trust plc, abrdn European Logistics Income PLC and MIGO Opportunities Trust plc.

Contribution: The Nomination Committee has reviewed the contribution of Caroline in light of her proposed re-election at the forthcoming AGM, and assessed that she continues to chair the Audit Committee expertly, as well as bringing to the Board her extensive audit experience and knowledge of the governance of investment companies.

Committee membership: Audit (Chair), Management Engagement and Nomination Committees

Remuneration for the year ended 31 August 2024: £43,125, inclusive of a one-off fee of £8,625 following completion of the transition to Schroders.

Number of shares held: 12,000

Shareholdings are as at 4 November 2024, full details of Directors' shareholdings are set out in the Directors' Remuneration Report on page 50.

Patrick Magee

Independent non-executive Director and Senior Independent Director

Length of service: 4 years – appointed a non-executive Director in May 2020 and Senior Independent Director in December 2022.

Experience: Patrick Magee has extensive experience in M&A, capital markets and corporate broking across various sectors. He joined the British Business Bank as Chief Operating Officer in September 2014 and became its Chief Commercial Officer in June 2017. Prior to this, Patrick worked at the Shareholder Executive from June 2012 to October 2014. Before joining the Shareholder Executive, he was a managing director of corporate finance at JP Morgan Cazenove, having worked at the predecessor firms for almost 18 years.

Patrick has an MBA from Georgetown University, Washington DC and an LLB from Queen's University Belfast.

Patrick is currently a member of the Investment Committee at Queen's University Belfast, a non-executive Director of Edge Future Capital Ltd, Allica Bank Ltd and PowerRoll Ltd. He is also a non-executive member of the NI Civil Service Board.

Contribution: The Nomination Committee has reviewed the contribution of Patrick in light of his proposed re-election, and has concluded that his long standing experience in M&A, capital markets and venture capital means that he is well placed to bring strong business insight and market experience to the Board, contributing to driving the business forward.

Committee membership: Audit, Management Engagement and Nomination Committees

Remuneration for the year ended 31 August 2024: £40,000, inclusive of a one-off fee of £8,000 following completion of the transition to Schroders.

Number of shares held: 11,500

Patrick Maxwell, CBE

Independent non-executive Director

Length of service: 2 years – appointed a non-executive Director in January 2022.

Experience: Patrick Maxwell is Regius Professor of Physic and Head of the School of Clinical Medicine at the University of Cambridge. As a clinician scientist he has been centrally involved in a series of discoveries that have revealed how changes in oxygenation are sensed, and how genetic alterations cause kidney disease.

Patrick is a Fellow of the Royal College of Physicians and the Academy of Medical Sciences, Director of Cambridge University Health Partners and a non-executive Director of Cambridge University Hospitals and Scottish Mortgage Investment Trust plc.

Patrick holds a BA from Oxford, MB BS from the University of London, DPhil from Oxford and is on the General Medical Council's Specialist Register for Nephrology and General (Internal) Medicine.

Contribution: The Nomination Committee has reviewed the contribution of Patrick in light of his proposed re-election, and has concluded that the specialist knowledge he brings is invaluable to the Board and contributes to the Company's long-term success.

Committee membership: Audit, Management Engagement and Nomination Committees

Remuneration for the year ended 31 August 2024: £37,500, inclusive of a one-off fee of £7,500 following completion of the transition to Schroders.

Number of shares held: 3,725

Shareholdings are as at 4 November 2024, full details of Directors' shareholdings are set out in the Directors' Remuneration Report on page 50.

The Directors submit their report and the audited Financial Statements of the Company for the year ended 31 August 2024.

Corporate governance statement

The Company is committed to high standards of corporate governance and has implemented a framework for corporate governance which it considers to be appropriate for an investment trust.

The Financial Conduct Authority ("FCA") requires all UK listed companies to disclose how they have applied the principles and complied with the provisions of the UK Corporate Governance Code 2018 (the "UK Code") issued by the Financial Reporting Council ("FRC"). The UK Code is available on the FRC's website: www.frc.org.uk.

The Company is a member of the Association of Investment Companies ("AIC"), which has published its own Code of Corporate Governance to recognise the special circumstances of investment trusts (www.theaic.co.uk) as endorsed by the FRC. The Board has considered the principles and provisions of the AIC Code of Corporate Governance 2019 (the "AIC Code"), which addresses those set out in the UK Code, as well as setting out additional provisions on issues that are of specific relevance to the Company as an investment trust.

The AIC Code also includes an explanation of how the principles and provisions set out in the UK Code are adapted to make them relevant for investment companies.

The Board considers that reporting against the principles and provisions of the AIC Code provides more relevant information to shareholders.

The Board confirms that the Company has complied throughout the year under review with the relevant provisions of the UK Code and the principles and provisions of the AIC Code except as set out below.

The UK Code includes provisions relating to:

- the role of the chief executive;
- executive Directors' remuneration;
- the need for an internal audit function;
- the Chair of the Board not being a member of the Audit Committee; and
- the requirement to establish a Remuneration Committee.

The Board considers that these provisions are not relevant to the Company as an externally managed investment company. Furthermore, all of the Company's day-to-day management and administrative functions are outsourced to third parties and the Company has no executive Directors, employees or internal operations. The Company has not therefore reported further in respect of these provisions.

The Nomination Committee fulfils the function of the Remuneration Committee and considers any change in the Directors' remuneration policy. A separate committee has not therefore been established. As permitted under the AIC Code, the Chair is a member of the Audit Committee. An explanation as to why this is considered appropriate is set out in the Audit Committee Report on page 43.

Directors and officers

Chair

The Chair is an independent non-executive Director who is responsible for leadership of the Board and ensuring its effectiveness in all aspects of its role. The Chair's significant commitments are detailed on page 38. She has no conflicting relationships.

Senior Independent Director ("SID")

The SID acts as a sounding board for the Chair, meets with major shareholders as appropriate, provides a channel for any shareholder concerns regarding the Chair and takes the lead in the annual evaluation of the Chair by the independent Directors.

Company Secretary

With effect from 20 November 2023, Schroder Investment Management Limited ("SIM") was appointed as Company Secretary, in place of Link Company Matters Limited. SIM provides company secretarial support to the Board with responsibility for assisting the Chair with Board meetings and advising the Board with respect to governance. The Company Secretary also manages the relationship with the Company's service providers, except for the Manager. Shareholders wishing to lodge questions in advance of the AGM are invited to do so by writing to the Company Secretary at the address given on the back cover or by email: amcompanysecretary@schroders.com.

Role and operation of the Board

The Board of Directors, listed on pages 38 and 39 is the Company's governing body; it sets the Company's strategy and is collectively responsible to shareholders for its long term success. The Board is responsible for appointing and subsequently monitoring the activities of the Manager and other service providers to ensure that the investment objective of the Company continues to be met. The Board also ensures that the Manager adheres to the investment restrictions set by the Board and acts within the parameters set by it in respect of any gearing. The Business Review on pages 25 to 35 sets out further detail of how the Board reviews the Company's strategy, risk management and internal controls and also includes other information required for the Directors' Report, and is incorporated by reference.

A formal schedule of matters specifically reserved for decision by the Board has been defined and a procedure adopted for Directors, in the furtherance of their duties, to take independent professional advice at the expense of the Company.

The Chair ensures that all Directors receive relevant management, regulatory and financial information in a timely manner and that they are provided, on a regular basis, with key information on the Company's policies, regulatory requirements and internal controls. Five Board meetings are usually scheduled each year and the Board receives and considers reports regularly from the Manager and other key advisers, and ad hoc reports and information are supplied to the Board as required.

The Board is satisfied that it is of sufficient size with an appropriate balance of diverse skills and experience, independence and knowledge of the Company, its sector, and the wider investment trust industry, to enable it to discharge its duties and responsibilities effectively and that no individual or group of individuals dominates decision making.

The Board has approved a policy on Directors' conflicts of interest. Under this policy, Directors are required to disclose all actual and potential conflicts of interest to the Board as they arise for consideration and approval. The Board may impose restrictions or refuse to authorise such conflicts if deemed appropriate. No Directors have any connections with the Manager, shared directorships with other Directors or material interests in any contract which is significant to the Company's business.

Committees

In order to assist the Board in fulfilling its governance responsibilities, it has delegated certain functions to Committees. The roles and responsibilities of these Committees, together with details of work undertaken during the year under review, are outlined over the next few pages.

The reports of the Audit Committee, Nomination Committee and Management Engagement Committee are incorporated, and form part of, the Directors' Report. Each Committee's effectiveness was assessed, and judged to be satisfactory, as part of the Board's annual review of the Board and its Committees.

Key service providers

The Board has adopted an outsourced business model and has appointed the following key service providers:

Manager

The Company is an Alternative Investment Fund as defined by the AIFM Directive and with effect from 20 November 2023, appointed Schroder Unit Trusts Limited ("SUTL") as the Manager in accordance with the terms of an Alternative Investment Fund Manager ("AIFM") agreement. Prior to 20 November 2023, SV Health Managers LLP ("SV Health") was the Company's AIFM and Fund Manager. Further details of the fee arrangements with SV Health are included in the Directors' Report and notes 4 and 22 to the Financial Statements on pages 41, 78, 86 and 87 of the Annual Report for the year ended 31 August 2023.

The AIFM agreement entered into with SUTL, dated 3 November 2023, which is governed by the laws of England and Wales, can be terminated by either party on six months' notice or on immediate notice in the event of certain breaches or the insolvency of either party. As at the date of this report, no such notice had been given by either party.

SUTL is authorised and regulated by the FCA and provides portfolio management, risk management, accounting and company secretarial services to the Company under the AIFM agreement. The Manager also provides general marketing support for the Company and manages relationships with key investors, in conjunction with the Chair, other Board members or the corporate broker, as appropriate. The Manager has delegated investment management, administrative, accounting and company secretarial services to another wholly owned subsidiary of Schroders plc, SIM, which delegates certain accounting and administrative services to HSBC Securities Services (UK) Limited. The Company Secretary has an independent reporting line to the Manager and distribution functions within Schroders. The Manager has in place appropriate professional indemnity cover.

Fees payable to the Manager

The Manager waived its management fee for the first six months of appointment, from 20 November 2023, to offset the costs associated with the mandate transition. Following the expiry of this period, under the terms of the AIFM agreement, the Manager is entitled to a management fee on the Company's quoted portfolio of 0.7% per annum.

A performance fee is payable amounting to 10% of any relative outperformance of the quoted portfolio above the Reference Index plus a hurdle rate of 0.5%. The performance fee is subject to a cap of 1.25% of net assets and payable only when the NAV per share has increased over the period.

The management fee payable in respect of the year ended 31 August 2024 to SUTL amounted to £498,000 (2023: nil). The management fee payable in respect of the year ended 31 August 2024 through unquoted funds to SV Health was £691,000 (2023: £791,000) and the management fee paid directly to SV Health was £799,000 (2023: £1,810,000). A performance fee of £904,000 was payable for the year ended 31 August 2024 (2023: £514,000). Of the £904,000 payable, £693,000 was outstanding to SUTL and £35,000 to SV Health. SV Health also received a performance fee of £176,000 before the change of Manager.

The Manager is also entitled to receive a fee for providing administration, accounting and company secretarial services to the Company. For those services, it receives an annual fee of £100,000. The administration fee payable to SUTL, for the year ended 31 August 2024, in respect of the period from appointment on 20 November 2023, was £78,000.

Details of all amounts payable to the Manager are set out in note 18 on page 77.

The Management Engagement Committee has reviewed the performance of the Manager, since appointment on 20 November 2023, during the year under review and continues to consider that it has the appropriate depth of resource to deliver above average returns over the longer term and that the continuing appointment of the Manager on the terms agreed remains in the best interests of shareholders as a whole.

Advisers to the unquoted portfolio

In accordance with an agreement dated 2 November 2023, between the Company, the AIFM and SV Health, subsequently amended and restated on 2 July 2024, SV Health was appointed to provide services in relation to the Company's unquoted portfolio in consideration for payment of a performance fee on the same terms as previously set out in the Directors' Report on page 41 of the Annual Report for the year ended 31 August 2023.

The appointment of SV Health is terminable by 12 months' notice from the Company, the AIFM or SV Health.

As noted above, a performance fee of £176,000 was paid to SV Health before the change of Manager and £35,000 (2023: £514,000) was outstanding to SV Health for the year ended 31 August 2024.

Depositary

With effect from 20 November 2023, HSBC Bank plc, which is authorised by the Prudential Regulation Authority ("PRA") and regulated by the FCA and the PRA, was appointed to carry out certain duties of a depositary specified in the AIFM Directive including, in relation to the Company, as follows:

- safekeeping of the assets of the Company which are entrusted to it;
- cash monitoring and verifying the Company's cash flows; and
- oversight of the Company and the Manager.

The Company, the Manager and the depositary may terminate the Depositary Agreement at any time by giving 90 days' notice in writing. The depositary may only be removed from office when a new depositary is appointed by the Company.

Prior to 20 November 2023, the Northern Trust Company, London branch was the depositary.

Registrar

Equiniti Limited ("Equiniti") has been appointed as the Company's registrar. Equiniti's services to the Company include share register maintenance (including the issuance, transfer and cancellation of shares as necessary), acting as agent for the payment of any dividends, management of company meetings (including the registering of proxy votes and scrutineer services as necessary), handling shareholder queries and correspondence and processing corporate actions.

Share capital and substantial share interests

During the year under review, the Company repurchased a total of 2,483,273 shares which were placed in treasury. As at 31 August 2024, the Company had 41,383,817 ordinary shares in issue of which 4,548,907 were held in treasury.

As at 1 November 2024, the Company had 41,383,817 ordinary shares of 25p in issue. 4,935,511 shares were held in treasury. Accordingly, the total number of voting rights in the Company as at 1 November 2024 were 36,448,306. Details of changes to the Company's share capital during the year are given in note 15 to the Financial Statements on page 75. All shares in issue rank equally with respect to voting, dividends and any distribution on winding up.

The Board noted that the Company's shareholders appreciated the Board's discount management. The Board agreed to request renewal of the authorities to issue and buy back shares as described on page 88.

The Company has received notifications in accordance with the FCA Disclosure Guidance and Transparency Rule 5.1.2R of the following interests in 3% or more of the voting rights attached to the Company's issued share capital.

The Company is reliant on investors to comply with these regulations, and certain investors may be exempted from providing notifications. As such, this should not be relied on as an exhaustive list of shareholders holding above 3% or more of the Company's voting rights.

	As at 31 August 2024	% of total voting rights
Border to Coast Pensions Partnership Limited	3,725,000	9.92
Charles Stanley Group Plc	1,871,013	4.99

There have been no changes notified since the year end.

Revenue, interim dividends and dividend policy

The net revenue loss for the year, after finance costs and taxation, was £3,496,000 (2023: loss of £3,870,000), equivalent to a revenue loss per ordinary share of 9.16p (2023: loss of 9.53p).

Dividends are paid through two distributions in January and August of each year and are paid out of capital reserves. The first interim dividend for the year ended 31 August 2024 of 13.9p per share was paid to shareholders on 26 January 2024 and the second interim dividend of 14.5p was paid on 23 August 2024.

The Company's dividend policy is to make dividend payments equivalent to 4% of the Company's closing NAV, as at the last day of the preceding financial year (31 August), through two semi-annual distributions. The dividend policy will be proposed for approval by shareholders at the forthcoming AGM.

Provision of information to the auditors

The Directors, at the date of approval of this report, confirm that, so far as each of them is aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' attendance at meetings

Five Board meetings are usually scheduled each year to deal with matters including: the setting and monitoring of investment strategy; approval of borrowings and/or cash positions; review of investment performance; the level of premium or discount of the Company's shares to NAV per share and promotion of the Company; and services provided by third parties. Additional meetings of the Board are arranged as required.

The number of scheduled meetings of the Board and its Committees held during the financial year, and the attendance of individual Directors, is shown in the following table. Whenever possible all Directors attend the AGM.

Director	Board	Nomination Committee	Audit Committee	Management Engagement Committee
Kate Cornish-Bowden (Chair)	5/5	1/1	3/3	1/1
Gillian Elcock	5/5	1/1	3/3	1/1
Caroline Gulliver	5/5	1/1	3/3	1/1
Patrick Magee	5/5	1/1	3/3	1/1
Patrick Maxwell	5/5	1/1	3/3	1/1

The Board is satisfied that the Chair and each of the other non-executive Directors commit sufficient time to the affairs of the Company to fulfil their duties.

Directors' and officers' liability insurance and indemnities

Directors' and officers' liability insurance cover was in place for the Directors throughout the year. The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for Directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising out of their positions as Directors, in which they are acquitted or judgment is given in their favour by the court. This is a qualifying third party indemnity provision and was in place throughout the year under review and to the date of this report.

By order of the Board

Schroder Investment Management Limited
Company Secretary

4 November 2024

Risk management → Internal controls → Accounting policies and judgements → Half Year and Annual Reports → Review of external auditors and their work

The responsibilities and work carried out by the Audit Committee during the year under review are set out in this report. The duties and responsibilities of the Committee, which include monitoring the integrity of the Company's financial reporting and internal controls, are set out in further detail below, and may be found in the terms of reference which are available on the Company's web pages: https://www.ibtplc.com.

All Directors are members of the Committee, Caroline Gulliver acts as Chair. The AIC Code permits the Chair of the Board to be a member of the audit committee of an investment trust. As the Board is small and consists of only five members, recognising Kate Cornish-Bowden's significant experience, it is considered appropriate for the Chair of the Board, who was independent on appointment, to be a member of the Committee. The Board has satisfied itself that at least one of the Committee's members has recent and relevant financial experience and that the Committee as a whole has competence relevant to the sector in which the Company operates.

Approach

Risk management and internal controls	Financial reports and valuation	Audit
Principal and emerging risks and uncertainties To establish a process for identifying, assessing, managing and monitoring the principal and emerging risks of the Company and to explain how these are managed or mitigated. The Committee is responsible for reviewing the adequacy and effectiveness of the Company's internal controls and the whistleblowing procedures operated by the AIFM and other services providers.	**Financial Statements** To monitor the integrity of the Financial Statements of the Company and any formal announcements relating to the Company's financial performance and valuation. To also review the Half Year Report and Financial Statements.	**Audit results** To discuss any matters arising from the audit and recommendations made by the auditors.
	Going concern and viability To review the position and make recommendations to the Board in relation to whether it considers it appropriate to adopt the going concern basis of accounting in preparing its Annual and Half Year Report and Financial Statements The Committee is also responsible for reviewing the disclosures made by the Company in the viability statement.	**Auditors' appointment, independence and performance** To make recommendations to the Board, in relation to the appointment, reappointment, effectiveness and removal of the external auditors, to review their independence, and to approve their remuneration and terms of engagement. To review and agree the audit plan and engagement letter.

The Committee met three times during the year under review and the below table sets out how the Committee discharged its duties during the year under review and up until the approval of this report.

Further details on attendance can be found on page 42. Significant issues identified during the year under review and key matters communicated by the auditors during reporting are included below.

Application during the year

Risk management and internal controls	Financial reports and valuation	Audit
Principal risks Reviewed the principal and emerging risks faced by the Company together with the systems, processes and oversight in place to identify, manage and mitigate these risks.	**Calculation of the investment management fee and performance fee** Consideration of methodology used to calculate the fees, matched against the criteria set out in the AIFM agreement and the services agreement with SV Health.	**Meetings with the auditors** The auditors attended meetings of the Committee to present their audit plan and the findings of the audit. The Committee met the auditors without representatives of the Manager present.
Service provider controls The operational controls maintained by the Manager, administrator, depositary and registrar were reviewed and included consideration of: – a summary, prepared by the AIFM, following review of the internal controls reports prepared bi-annually by HSBC in respect of its European Traditional Fund Services, Global Custody Services and Information Technology Services operations; – a summary, prepared by the AIFM following review, of the internal controls reports prepared annually by SIM; and – the Assurance Report on the internal controls of Equiniti Share Registration Services. All internal controls reports were reported on by independent external accountants.	**Valuation and existence of investments** The Company's assets are principally invested in quoted and unquoted equities. The Committee reviewed internal control reports from the AIFM in the year, reporting on the systems and controls around the pricing and valuation of securities. The Committee notes that quoted investments are valued using stock exchange prices provided by third party financial data vendors, unless trading volume would indicate that price is not a reasonable valuation. In such cases, the asset will be subject to fair value as if it were an unquoted investment (when the trading volume would indicate the price is not a reliable valuation). In respect of the unquoted investments, the Committee reviews a report from the advisers for the unquoted portfolio and challenges the considerations and key assumptions made where appropriate, to ensure that the valuations are reasonable. During the financial year, the Committee also reviewed the process in place to ensure the appropriate valuation of unquoted investments on an ongoing basis. The Committee has also considered the work of the AIFM's Fair Value Pricing Committee, which takes inputs from the Investment Manager.	**Effectiveness of the independent audit process and auditors' performance** The effectiveness of the independent audit firm and audit process was evaluated prior to making a recommendation to the Board that the auditors should be re-appointed at the forthcoming AGM. The Committee evaluated the auditors' performance against agreed criteria including: qualification; knowledge, expertise and resources; independence policies; effectiveness of audit planning; and adherence to auditing standards. Overall competence was also considered, alongside feedback from the Manager on the audit process. The professional scepticism of the auditors during the audit process was questioned and the Committee was satisfied with the auditors' replies.

Risk management and internal controls	Financial reports and valuation	Audit
Internal controls and risk management Consideration of several key aspects of internal control and risk management operating within the Manager, administrator, depositary and registrar, including assurance reports and presentations on these controls.	**Overall accuracy of the Report and Financial Statements** Consideration of the Annual Report and Financial Statements and the letter from the Manager in support of the letter of representation to the auditors.	**Auditors' independence** PricewaterhouseCoopers LLP has provided audit services to the Company since it was appointed in 2007. Following a tender of audit services in 2016, PricewaterhouseCoopers LLP was retained as the Company's auditors. The Company is compliant with the provisions of the Competition and Markets Authority Order, which requires that the audit is put out to tender at least every 10 years. However, the Company will be required to undertake a further audit tender, at the latest in 2027. Due to the 20-year maximum audit tenure, PricewaterhouseCoopers LLP will be precluded from participating. It is likely that the Company will undertake an audit tender during 2025 with a view to changing auditor for the year ending 31 August 2026 following Ms Local's final year as senior statutory auditor for the Company. The auditors are required to rotate the senior statutory auditor every five years. There are no contractual obligations restricting the choice of external auditor. This is the fourth year that the senior statutory auditor, Colleen Local has conducted the audit of the Company's Financial Statements.
Compliance with the investment trust qualifying rules in S1158 of the Corporation Tax Act 2010 Consideration of the Manager's report confirming compliance.	**Fair, balanced and understandable** Reviewed the Annual Report and Financial Statements to advise the Board whether it was fair, balanced and understandable. Reviewed whether performance measures were reflective of the business, whether there was adequate commentary on the Company's strengths and weaknesses and that the Annual Report and Financial Statements, taken as a whole was consistent with the Board's view of the operation of the Company.	**Audit results** Met with and reviewed a comprehensive report from the auditors which detailed the results of the audit, compliance with regulatory requirements, safeguards that have been established, and on their own internal quality control procedures.
		Provision of non-audit services by the auditors Reviewed the FRC's Guidance on Audit Committees and formulated a policy on the provision of non-audit services by the Company's auditors. The Committee has determined that the Company's appointed auditors will not be considered for the provision of certain non-audit services, such as accounting and preparation of the Financial Statements, internal audit and custody. The auditors may, if required, provide other non-audit services which will be judged on a case-by-case basis. The auditors did not provide any non-audit services to the Company during the year.

Risk management and internal controls	Financial reports and valuation	Audit
	Going concern and viability Reviewed the impact of risks on going concern and longer-term viability.	**Consent to continue as auditors** PricewaterhouseCoopers LLP indicated to the Committee its willingness to continue to act as auditors.

Recommendations made to, and approved by, the Board:

- The Committee recommended that the Board approve the Half Year Report and the Annual Report and Financial Statements.
- The Committee recommended the adoption of the going concern basis of accounting in the Annual Report and Financial Statements and the explanations set out in the viability statement.
- As a result of the work performed, the Committee has concluded that the Annual Report for the year ended 31 August 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 54.
- Having reviewed the performance of the auditors, as described above, the Committee was satisfied that there were no circumstances that affected the independence and objectivity of the auditors and therefore considered it appropriate to recommend the auditors' re-appointment. Resolutions to re-appoint PricewaterhouseCoopers LLP as auditors to the Company, and to authorise the Directors to determine their remuneration will be proposed at the AGM.

Caroline Gulliver
Audit Committee Chair

4 November 2024

Management Engagement Committee Report

The Management Engagement Committee is responsible for: (1) the monitoring and oversight of the Manager's performance and fees, and confirming the Manager's ongoing suitability; and (2) reviewing and assessing the Company's other service providers, including reviewing their fees. All Directors are members of the Committee. Kate Cornish-Bowden is the Chair of the Committee. Its terms of reference are available on the Company's web pages: https://www.ibtplc.com.

Approach

Oversight of the Manager

The Committee:

- reviews the Manager's performance, over the short and long term, against the Reference Index, peer group and the market;
- considers the reporting it has received from the Manager throughout the year, and the reporting from the Manager to the shareholders;
- assesses management fees including the performance fee on an absolute and relative basis, receiving input from the Company's corporate broker, including peer group and industry figures, as well as the structure of the fees;
- reviews the appropriateness of the Manager's contract, including terms such as notice period; and
- assesses whether the Company receives appropriate administrative, accounting, company secretarial and marketing support from the Manager.

Oversight of other service providers

The Committee reviews the performance and competitiveness of the following service providers on at least an annual basis:

- depositary and custodian;
- corporate broker;
- advisers for the unquoted portfolio;
- registrar; and
- lender.

The Committee also receives a report from the Company Secretary on ancillary service providers, and considers any recommendations.

The Committee notes the Audit Committee's review of the auditors.

Application during the year

The Committee undertook a detailed review of the Manager's performance, since appointment on 20 November 2023, and agreed that it has the appropriate depth and quality of resource to deliver superior returns over the longer term.

The Committee also reviewed the terms of the AIFM agreement and agreed they remained fit for purpose.

The Committee reviewed the other services provided by the Manager and agreed they were satisfactory.

The annual review of each of the service providers was satisfactory.

The Committee noted that the Audit Committee had undertaken a detailed evaluation of the Manager, registrar, and depositary and custodian's internal controls.

Recommendations made to, and approved by, the Board:

- That the ongoing appointment of the Manager on the terms of the AIFM agreement, including the fee, was in the best interests of shareholders as a whole.
- That the Company's service providers' performance remained satisfactory.

The Nomination Committee is responsible for: (1) the recruitment, selection and induction of Directors; (2) their assessment during their tenure; (3) the Board's succession plans; and (4) Directors' fees. All Directors are members of the Committee. Gillian Elcock succeeded Kate Cornish-Bowden as the Chair of the Committee on 12 December 2023. The Committee's terms of reference are available on the Company's web pages: www.ibtplc.com.

Oversight of Directors

Approach

Selection and induction

- The Committee prepares a job specification for each role, and an independent recruitment firm is appointed. For the Chair and the Chairs of committees, the Committee considers current Board members too.
- A job specification outlines the knowledge, professional skills, personal qualities and experience requirements.
- The Committee considers the use of an external search agency in recruiting new Directors.
- Potential candidates are assessed against the Company's diversity policy.
- The Committee discusses the long list, invites a number of candidates for interview and makes a recommendation to the Board.
- The Committee reviews the induction and training of new Directors.
- Any new Director will be proposed for election by shareholders at the first AGM following appointment.

Board evaluation and Directors' fees

- The Committee assesses the performance of each Director annually, with the SID leading the evaluation of the Chair, and will consider if an external evaluation is appropriate.
- The evaluation focuses on whether each Director continues to demonstrate commitment to their role and provides a valuable contribution to the Board during the year, taking into account time commitment, independence, conflicts and training needs.
- Following the evaluation, the Committee provides a recommendation to shareholders with respect to the annual re-election of Directors at the AGM.
- All Directors retire at the AGM and their re-election is subject to shareholder approval.
- The Committee reviews Directors' fees, taking into account comparative data and reports to shareholders. No Directors are involved in making recommendations with respect to their own remuneration.
- Any proposed changes to the Directors' remuneration policy are discussed and reported to shareholders.

Succession

- The Board's succession policy is that Directors will retire no later than the ninth AGM after their initial appointment, except in exceptional circumstances, and that each Director will be subject to annual re-election at the AGM.
- The Committee reviews the Board's current and future needs at least annually. Should any need be identified, the Committee will initiate the selection process.
- The Committee oversees the handover process for retiring Directors.

Application during the year (see overleaf)

Application during the year

Selection and induction

- In anticipation of the retirement of Caroline Gulliver at the conclusion of the AGM in December 2024, the Committee discussed the appointment of a replacement, having regard to the current composition of the Board, diversity and efficacy.
- A job specification was agreed for the role.
- A number of independent search firms were considered to assist with the recruitment of a replacement for Caroline Gulliver and, early in 2024, Cornforth Consulting was engaged to commence the process. Cornforth Consulting has no connections with the Company or any of the Directors.
- Following a robust interview process, it was announced that Alexa Henderson would join the Board on 1 January 2025 as Audit Committee Chair designate to succeed Caroline Gulliver who will remain as Chair of the Audit Committee for a short while after Alexa Henderson's appointment, to assist in providing a smooth transition of responsibilities. Caroline Gulliver will therefore be seeking re-election as a Director at the 2024 AGM.
- As the appointment of Alexa Henderson is not effective until 1 January 2025, she will stand for election as a Director at the AGM to be held in 2025.

Board evaluation and Directors' fees

- The annual Board and Committee evaluation process was undertaken during the year, and the evaluation concluded at the end of June 2024. The evaluation was undertaken internally by the completion of questionnaires.
- The Committee also reviewed each Director's time commitment and independence by reviewing a complete list of appointments, including *pro bono* not for profit roles, to ensure that each Director remained free from conflict and had sufficient time available to discharge each of their duties effectively. The SID led the review of these matters in respect of the Chair. During the review, the Committee was also mindful of the concept of 'overboarding' and considered the time, nature and complexity of each Director's other roles and concluded that it did not believe that any of the Directors were overboarded. All Directors were also considered to be independent in character and judgement.
- The Committee considered each Director's contributions, and noted that in addition to extensive experience as professionals and non-executive Directors, each Director had valuable skills and experience, as detailed in their biographies on pages 38 and 39.
- Based on its assessment the Committee provided individual recommendations for each Director's re-election.
- Following the completion of the transition to Schroders, the Committee concluded that it was appropriate to recommend to the Board the payment of a one off fee to each Director in recognition of the additional time consuming work undertaken in relation to the transaction. Further details are provided in the Directors' Remuneration Report.
- The Committee reviewed Directors' fees, and recommended that the additional fee paid to the Chair of the Audit Committee should be increased with effect from 1 September 2024 to £6,000 per annum from £4,500.

Succession

- The Committee reviewed the succession policy and agreed it remains fit for purpose.
- Alexa Henderson was recommended to the Board for appointment as a non-executive Director following the engagement of Cornforth Consulting to identify potential candidates to succeed Caroline Gulliver as Chair of the Audit Committee.
- Caroline Gulliver was appointed as a Director on 1 April 2015 and had indicated, in accordance with the Company's tenure policy, her intention to step down from the Board at the AGM to be held in December 2024. However, in light of the appointment of Alexa Henderson as Audit Committee Chair designate, with effect from 1 January 2025, Caroline Gulliver will stand for re-election as a Director at the December 2024 AGM and remain as a Director for a short while thereafter to facilitate a smooth transition for Alexa Henderson into the role of Audit Committee Chair.
- As Caroline Gulliver has now served for nine years as a Director, her tenure and continued independence were reviewed by the Nomination Committee. The Nomination Committee subsequently concluded that it was appropriate that Caroline Gulliver continue to serve as a Director and, notwithstanding the length of her tenure, she remains independent of the Manager in character and judgment. In forming this conclusion, the Nomination Committee recognised her track record as Audit Committee Chair, a role she has held since 13 July 2016, together with the continuity, knowledge and experience she brings to the Board.

Recommendations made to, and approved by, the Board:

- That Cornforth Consulting be engaged to assist in the identification of a successor to Caroline Gulliver, as Chair of the Audit Committee.
- That Alexa Henderson be appointed as a non-executive Director and Chair of the Audit Committee designate, with effect from 1 January 2025, to succeed Caroline Gulliver, and that her election as a Director be proposed to shareholders at the 2025 AGM.
- The payment of an additional one off fee to each Director to reflect the time-consuming work undertaken as part of the transition from SV Health to Schroders, as set out in more detail in the Directors' Remuneration Report.
- That the additional fee paid to the Chair of the Audit Committee would be increased to £6,000 with effect from 1 September 2024.
- That all Directors remain independent, continue to demonstrate commitment to their roles, provide a valuable contribution to the deliberations of the Board, contribute towards the Company's long-term, sustainable success, and remain free from conflicts with the Company and its Directors; therefore they should all be recommended for re-election by shareholders at the 2024 AGM.
- That the Directors' remuneration policy be amended to reflect an increase in the aggregate Director fee cap from £250,000 to £300,000 and the Directors' remuneration policy be put to shareholders for approval at the 2024 AGM. The Board believes that to enable flexibility in respect of succession planning, and in particular to recruit new Directors from time to time, that it is prudent to keep remuneration at or around market levels, providing for modest fee increases in the future and also for a higher level of aggregate fees during years where new Directors are appointed as part of the Board's succession planning.

Introduction

The Board presents the Directors' Remuneration Report for the year ended 31 August 2024, which has been prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended, and Sections 420-422 of the Companies Act 2006.

The law requires the Company's auditors to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The auditors' opinion is included in their report on pages 56 to 61.

The Directors' remuneration policy is subject to a binding vote every three years unless any changes are proposed to the policy in the meantime. The current Directors' remuneration policy was approved at the AGM held on 12 December 2023 and the next vote would ordinarily be at the AGM to be held in 2026. However, it is proposed that a number of changes are made to the Directors' remuneration policy, details of which are provided below, and an ordinary resolution to approve the revised policy will be proposed at the forthcoming AGM. The revisions to the Directors' remuneration policy are conditional on passage of the ordinary resolution proposed to approve the revised Directors' remuneration policy and passage of the special resolution proposed to adopt new Articles of Association, as more particularly described in the appendix to the AGM Notice (page 92 of this document).

At the AGM held on 12 December 2023, 99.96% of the votes cast (including votes cast at the Chair's discretion) in respect of approval of the Directors' remuneration policy were in favour, while 0.04% were against and 32,661 votes were withheld.

The Directors' annual report on remuneration is subject to an annual advisory vote. An ordinary resolution to approve this report will be put to shareholders at the forthcoming AGM.

At the AGM held on 12 December 2023, 99.57% of the votes cast (including votes cast at the Chair's discretion) in respect of approval of the Directors' remuneration report for the year ended 31 August 2023 were in favour, while 0.43% were against and 52,105 votes were withheld.

Proposed changes to the Directors' remuneration policy

The Company is proposing to adopt new Articles of Association at the forthcoming AGM, as more particularly described in the appendix to the AGM Notice (page 92 of this document).

The Company's current Articles of Association provide that Directors are appointed for an initial term covering the period from the date of their appointment until the next AGM and are thereafter required to retire by rotation at least every three years. However, in recognition of corporate governance best practice, all Directors stand for re-election annually. Under the new Articles of Association proposed to be adopted at the forthcoming AGM, Directors will be required to stand for re-election annually reflecting corporate governance best practice and the current Directors' remuneration policy.

The Company's current Articles of Association limit the aggregate fees payable to Directors to £250,000 per annum. The Board believes that to enable flexibility in respect of succession planning, and in particular to recruit new Directors from time to time, that it is prudent to keep remuneration at or around market levels, providing for modest fee increases in the future and also for a higher level of aggregate fees during years where new Directors are appointed as part of the Board's succession planning. Consequently, the proposed new Articles of Association include an increase in the limit on the aggregate level of Directors' fees to £300,000 per annum. It is not the Board's intention that fees will be raised to the new limit immediately upon approval.

The Directors' fees are reviewed annually and take into account research from third parties on the fee levels of Directors of peer group companies, as well as industry norms and factors affecting the time commitment expected of the Directors. New Directors are subject to the provisions set out in the Directors' remuneration policy.

The corresponding changes to the current Directors' remuneration policy are shown below. If Resolutions 4 and 15 are passed, the below changes will take effect from the conclusion of the Annual General Meeting.

Directors' remuneration policy

The determination of the Directors' fees is a matter dealt with by the **Nomination Committee and** Board. As all the Directors are independent non-executive, a separate remuneration committee has not been established.

The Company's Articles of Association limit the aggregate fees payable to Directors to ~~£250,000~~ **£300,000** per annum. Subject to this limit, it is the Company's policy to determine the level of directors' fees having regard to the level of fees payable to non-executive directors in the industry, the role that individual directors fulfil in respect of Board and Committee responsibilities, and time committed to the Company's affairs in order to promote the long-term success of the Company. Fees payable to the Directors should be sufficient to motivate and retain candidates of a high calibre to deliver the Company's investment objectives. No element of the Directors remuneration is performance-related.

The Board considers any comments received from shareholders on the Directors' remuneration policy on an ongoing basis and if appropriate, takes these into consideration when reviewing remuneration. All Directors have a Letter of Appointment with the Company. The Letters of Appointment are available for inspection at the Company's registered office during normal business hours and at the location of the AGM for at least 15 minutes prior to and during the meeting. Directors do not have service contracts with the Company and no compensation is payable to Directors on leaving office. It is the intention of the Board that this policy will continue to apply in the forthcoming and subsequent financial years.

All Directors are appointed for an initial term covering the period from the date of their appointment until the first AGM, thereafter they are required to retire ~~by rotation at least every three years~~ **annually** in accordance with the Company's Articles of Association. ~~The Board recognises corporate governance best practice is for all Directors to be submitted for annual re-election. Accordingly, all Directors stand for re-election annually.~~

Following the performance evaluation carried out each year, the Board considers whether it is appropriate for each Director to seek re-election. When recommending whether an individual Director should seek re-election, the Board will take into account the ongoing recommendations of the AIC Code, including the need to refresh the Board and its Committees.

The component parts of the Directors' remuneration are set out in the table on page 51.

Implementation of policy

The Board did not seek the views of shareholders in setting this policy. Any comments on the policy received from shareholders would be considered on a case-by-case basis.

As the Company does not have any employees, no employee pay and employment conditions were taken into account when setting this policy and no employees were consulted in its construction.

Directors' annual report on remuneration

This report sets out how the Directors' remuneration policy was implemented during the year ended 31 August 2024.

In implementing the Directors' remuneration policy, the Nomination Committee and Board are mindful of the role that individual Directors fulfil in respect of Board and Committee responsibilities.

The following table shows the remuneration components for each Board and Committee role.

Component	Annual rate for the year ended 31 August 2024 £	2023[1] £	Purpose and operation
Chair's base fee	44,500	44,500	For the additional time, commitment and responsibility required by the role.
Non-executive Director base fee:	30,000	30,000	To reflect the time and commitment required and the responsibilities of the role. The fee is reviewed against fees paid by peer companies to ensure that it is fair and appropriate for the role.
Additional fee: Chair of the Audit Committee	4,500[2]	4,500	For the additional time required as Committee Chair.
Additional fee: Senior Independent Director ("SID")	2,000	2,000	For the additional time required to support the Chair and undertake other duties as SID.
Additional fee: Chair of the Nomination Committee	1,000[3]	–	For the additional time required as Committee Chair.
Additional fee:	Variable[4]	Variable	In the event of a complex or large project, an additional fee to fairly compensate for the additional time and commitment required.
Expenses: Each Director	Variable	Variable	Reimbursement of expenses properly incurred by Directors in attending meetings and/or otherwise in the performance of their duties.

[1] Effective 1 March 2023.
[2] From 1 September 2024, the additional fee paid to the Chair of the Audit Committee was increased to £6,000.
[3] Effective 12 December 2023.
[4] See table of fees paid to Directors.

Fees paid to Directors (audited)

The following amounts were paid by the Company to Directors for their services in respect of the year ended 31 August 2024 and the preceding financial year. There were no taxable benefits claimed during the years ended 31 August 2024 or 31 August 2023 and for the three preceding financial years, therefore taxable benefits have not been included in the information provided below in respect of the annual percentage change in remuneration over the last five financial years. Directors' remuneration is all fixed; they do not receive any variable remuneration. The performance of the Company over the financial year is presented on the inside front cover and page 1, under the heading "Performance Summary".

Director	2024 One off Fee[1] £	2024 Directors' Fee £	2024 Total[4] £	2023 Total[4] £	Change in annual fee over years ended 31 August 2024 %	2023 %	2022 %	2021 %	2020 %
Kate Cornish-Bowden (Chair)	14,685	44,500	59,185	40,221	47	38	4	255	N/A
Gillian Elcock[2]	7,500	30,721	38,221	17,271	121	N/A	N/A	N/A	N/A
Caroline Gulliver	8,625	34,500	43,125	33,500	29	3	0	0	0
Patrick Magee	8,000	32,000	40,000	30,482	31	9	0	255	N/A
Patrick Maxwell	7,500	30,000	37,500	29,000	29	55	N/A	N/A	N/A
Jim Horsburgh[3]	–	–	–	11,295	N/A	(73)	7	41	0
Total	**46,310**	**171,721**	**218,031**	**161,769**					

[1] As reported in the Chair's Statement, a one off fee was paid to the Directors following the completion of the change of Manager in November 2023 to compensate the Directors for the considerable additional time associated with the transaction.
[2] Appointed as a Director on 1 February 2023, and as Chair of the Nomination Committee on 12 December 2023 and became entitled to an additional fee of £1,000 per annum.
[3] Retired as a Director on 6 December 2023.
[4] No aspect of the Directors' remuneration, past or present, is performance-related in light of the Director's non-executive status. As a result, no Director is entitled to any bonuses, benefits in kind, share options, long-term incentives, pension or other retirement benefit. The Directors are entitled to reimbursement of all reasonable and properly documented expenses incurred in performing their duties.

Consideration of matters relating to Directors' remuneration

Following the review of Directors' fees by the Nomination Committee, it was proposed to increase the additional fee payable to the Chair of the Audit Committee from £4,500 to £6,000 with effect from 1 September 2024. The Board approved this recommendation. The fees payable to the other Board members remained unchanged with effect from 1 September 2024 as: Chair £44,500; non-executive Director base fee £30,000; additional fee for the SID £2,000; and the additional fee for the Chair of the Nomination Committee £1,000.

The members of the Board at the time that remuneration levels were considered were as set out on pages 38 and 39. Although no external advice was sought in considering the levels of Directors' fees, information on fees paid to Directors of other investment trusts managed by Schroders and peer group companies provided by the Manager and corporate broker respectively, was taken into consideration, as was independent third party research.

The table below compares the remuneration payable to Directors, to distributions made to shareholders during the year under review and the prior year. In considering these figures, shareholders should take into account the Company's investment objective.

Distributions to shareholders (share buy backs) vs Directors' remuneration

	Year ended 31 August		
	2024 £'000	2023 £'000	% Change
Aggregate spend on Directors' fees*	218	162	35
Distributions to shareholders – dividends	10,768	11,407	
– share buy backs	16,160	9,978	
Total distributions paid to shareholders	**26,928**	21,385	26

*As the Company has no employees, the total spend on remuneration comprises solely of Directors' fees.

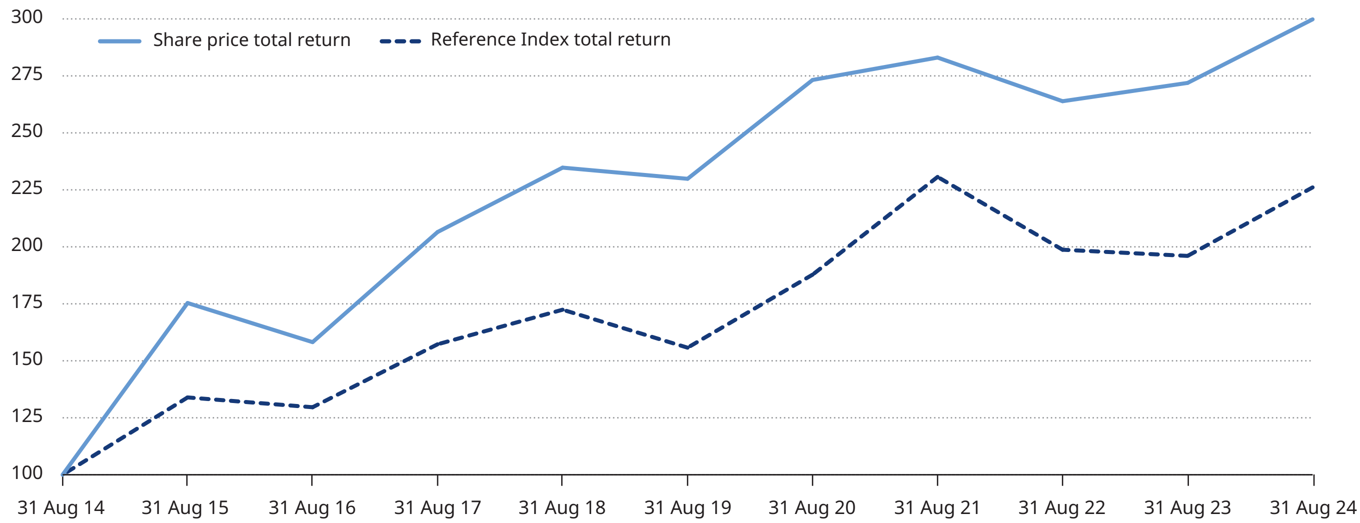
Directors' share interests (audited)

The Company's Articles of Association do not require Directors to own shares in the Company. The interests of Directors, including those of connected persons, at the beginning and end of the financial year under review, are set out below.

	At 31 August	
	2024	2023
Kate Cornish-Bowden (Chair)	12,500	12,500
Gillian Elcock	1,407	nil
Caroline Gulliver	12,000	9,500
Patrick Magee	11,500	11,500
Patrick Maxwell	3,725	3,725

There have been no changes since the year end.

10-year performance of share price and Reference Index total returns



Source: Morningstar. Data rebased to 100 at 31 August 2014.

Definitions of terms and performance measures are provided on page 93.

On behalf of the Board

Kate Cornish-Bowden
Chair
4 November 2024

Directors' responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with UK-adopted international accounting standards.

Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the return or loss of the Company for that period. In preparing the Financial Statements, the Directors are required to:

– select suitable accounting policies and then apply them consistently;

– state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;

– make judgements and accounting estimates that are reasonable and prudent; and

– prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, and disclose with reasonable accuracy at any time the financial position of the Company, and enable them to ensure that the Financial Statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Manager is responsible for the maintenance and integrity of the web pages dedicated to the Company. Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Directors' statement

Each of the Directors, whose names and functions are listed in the Board of Directors on pages 38 and 39 confirm that, to the best of their knowledge:

– the Company's Financial Statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company;

– the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces; and

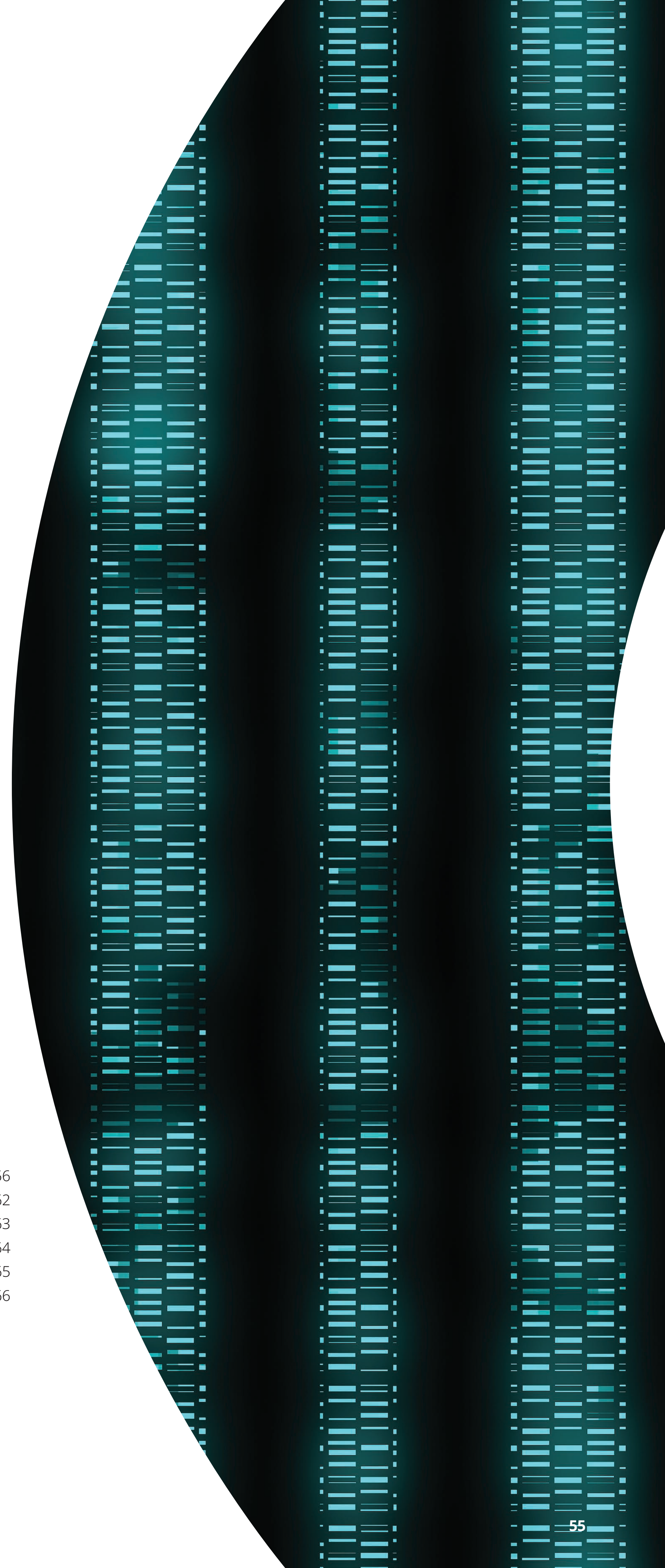
– that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

On behalf of the Board

Kate Cornish-Bowden
Chair

4 November 2024

Financial



Financial

Report on the audit of the financial statements

Opinion

In our opinion, International Biotechnology Trust plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2024 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 August 2024; the Statement of Comprehensive Income, the Statement of Changes in Equity, and the Cash Flow Statement for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company in the period under audit.

Our audit approach

Overview

Audit scope

- The company is a standalone Investment Trust Company and engaged Schroder Unit Trusts Limited (the "Manager") to manage its assets from 20 November 2023. The Manager has delegated investment management, administrative, accounting and company secretarial services to Schroder Investment Management Limited (the "Investment Manager"). The Investment Manager has sub-delegated certain accounting and administrative services to HSBC Securities Services (UK) Limited (the "Administrator").
- Prior to 20 November 2023, SV Health Managers LLP was the company's Manager/ Investment Manager and The Northern Trust Company was the Administrator.
- We conducted our audit using information provided by the Manager, Investment Manager and the Administrator.
- We tailored the scope of our audit taking into account the types of investments within the company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the company operates.
- We obtained an understanding of the control environment in place at the Manager, Investment Manager and the Administrator, and adopted a fully substantive testing approach using reports obtained from the Manager, Investment Manager and the Administrator.

Key audit matters

- Valuation and existence of unquoted investments held at fair value through profit or loss.
- Valuation and existence of quoted investments held at fair value through profit or loss.
- Income from and gains on investments.

Materiality

- Overall materiality: £2,822,000 (2023: £2,703,000) based on approximately 1% of net assets.
- Performance materiality: £2,116,500 (2023: £2,027,000).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Ability to continue as a going concern - Continuation Vote, which was a key audit matter last year, is no longer included because of the absence of a Continuation Vote within the next 12 months. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of unquoted investments held at fair value through profit or loss. Refer to Note 1 – Material accounting policies and Note 10 – Investments held at fair value through profit or loss of the financial statements. The investment portfolio at 31 August 2024 included unquoted investments. We focused on the valuation and existence of the unquoted investments as these investments represented a material balance in the financial statements and the valuation requires significant estimates and judgements to be applied by the Directors and the Investment Manager.	We have understood and evaluated the valuation methodology applied, by reference to the International Private Equity and Venture Capital Valuation guidelines (IPEV) and tested the techniques used by the Directors in determining the fair value of unquoted investments, as outlined below. Our testing, performed on a sample basis, included: - assessing the appropriateness of the valuation models used; - testing the inputs either through validation to appropriate third party sources where available, or where relevant, assessing the reasonableness of estimates and judgements used; and - obtaining the latest Net Asset Value reports and where relevant tested distributions from and contributions to unquoted fund investments. We found that the Directors' valuations of unquoted investments were materially consistent with the IPEV guidelines and that the assumptions used to derive the valuations within the financial statements were reasonable based on the investee's circumstances or consistent with appropriate third party sources. No material misstatements were identified from this testing. We tested the existence of the unquoted investment portfolio by agreeing holdings to independent sources such as confirmation from HSBC Bank plc as at 31 August 2024. No material misstatements were identified from this testing.
Valuation and existence of quoted investments held at fair value through profit or loss. Refer to Note 1 – Material accounting policies and Note 10 – Investments held at fair value through profit and loss. The investment portfolio at the year-end included quoted equity investments. We focused on the valuation and existence of quoted investments because quoted investments represent the principal element of the net asset value as disclosed on the Statement of Financial Position.	We tested the valuation of the quoted equity investments by agreeing the prices used in the valuation to independent third party sources. We tested the existence of the quoted investment portfolio by agreeing the holdings of quoted investments to an independently obtained confirmation as at 31 August 2024 from the custodian. No material misstatements were identified from this testing.
Income from and gains on investments. Refer to Note 1– Material accounting policies, Note 2 – Gains on investments held at fair value through profit or loss and Note 3 – Income. We focused on the accuracy, and occurrence of both net capital gains/losses on investments and dividend income. We assessed the presentation of income in the Statement of Comprehensive Income in accordance with the requirements of The Association of Investment Companies' Statement of Recommended Practice (the "AIC SORP").	We assessed and found that the accounting policies implemented were in accordance with UK-adopted international accounting standards and the AIC SORP, and that income (revenue and capital gains and losses on investments) has been accounted for in accordance with the stated accounting policy. We understood and assessed the design and implementation of key controls surrounding income recognition. **Gains/losses on investments held at fair value** The gains/losses on investments held at fair value comprise realised and unrealised gains/losses. For unrealised gains and losses, we have tested the valuation of the portfolio at the year-end, together with testing the reconciliation of opening and closing investments, thereby we have assessed the accuracy of the gains/losses recorded. We have also verified the occurrence of the gains/losses through our testing of the existence of investments, as noted above. For realised gains/losses, we tested a sample of disposals by agreeing the proceeds to bank statements, in order to verify the occurrence of the gain/loss. We re-performed the calculation of a sample of realised gains/losses in order to assess the accuracy of the gains/losses recorded.

Key audit matter	How our audit addressed the key audit matter
	Income We tested the accuracy of all dividend receipts by agreeing the dividend rates for investments to independent market data. To test for completeness, we tested a sample of dividends that had been received in the year by reference to independent data of dividends declared for investments during the year. We tested occurrence by testing that all dividends recorded in the year had been declared in the market by investment holdings, and we traced all of the dividends received to bank statements. Based on the audit procedures performed and evidence obtained, we concluded that income from and gains on investments was not materially misstated.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

The company is a standalone authorised, closed-ended investment company that has outsourced the management of its assets to the Manager. The Manager has delegated the investment management, administrative, accounting and company secretarial services to the Investment Manager, who has sub-delegated certain accounting and administrative services to the Administrator. We applied professional judgement to determine the extent of testing required over each balance in the financial statements and obtained our audit evidence which was substantive in nature from the Manager, Investment Manager and the Administrator.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall company materiality	£2,822,000 (2023: £2,703,000).
How we determined it	Approximately 1% of net assets
Rationale for benchmark applied	We believe that net assets is the primary measure used by the shareholders in assessing the performance of the company, and is a generally accepted auditing benchmark. This benchmark provides an appropriate and consistent year on year basis for our audit.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £2,116,500 (2023: £2,027,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £141,100 (2023: £153,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the directors' updated risk assessment and considering whether it addressed relevant threats;
- evaluating the directors' assessment of income and expenditure projections, considering their consistency with other available information and our understanding of the business as well as performing lookback procedures;
- reviewing the directors' assessment of liquidity levels of the portfolio, consideration of uncalled capital commitments, and future borrowing intentions in the context of assessing resources available to the company to meet future funding requirements including assessment of loan covenant compliance;
- assessing the premium/discount the Company's share price trades at compared to its net asset value per share; and
- evaluating the directors' oversight of key third-party service providers.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 August 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the company and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue (investment income and capital gains) or to increase net asset value and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- enquiries with the Manager and the Audit Committee, including specific enquiry of known or suspected instances of non-compliance with laws and regulation and fraud where applicable;
- reviewing relevant meeting minutes, including those of the Audit Committee;
- assessment of the company's compliance with the requirements of section 1158 the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions;
- challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the valuation of unquoted investments held at fair value through profit or loss (see related key audit matter);
- identifying and testing journal entries, in particular a sample of manual year end journal entries posted as part of the financial statements preparation process; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the directors on 12 July 2007 to audit the financial statements for the year ended 31 August 2007 and subsequent financial periods. The period of total uninterrupted engagement is 18 years, covering the years ended 31 August 2007 to 31 August 2024.

Colleen Local *(Senior statutory auditor)*
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

4 November 2024

Statement of Comprehensive Income
for the year ended 31 August 2024

	Note	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Gains on investments held at fair value through profit or loss	2	–	41,620	41,620	–	9,606	9,606
Net foreign currency gains		–	1,656	1,656	–	1,591	1,591
Income	3	1,263	–	1,263	863	–	863
Total income		**1,263**	**43,276**	**44,539**	**863**	**11,197**	**12,060**
Management fee	4	(1,297)	–	(1,297)	(1,810)	–	(1,810)
Performance fee	4	–	(904)	(904)	–	(514)	(514)
Administrative expenses	5	(1,129)	–	(1,129)	(1,559)	–	(1,559)
Profit/(loss) before finance costs and taxation		**(1,163)**	**42,372**	**41,209**	**(2,506)**	**10,683**	**8,177**
Finance costs	6	(2,198)	–	(2,198)	(1,242)	–	(1,242)
Profit/(loss) before taxation		**(3,361)**	**42,372**	**39,011**	**(3,748)**	**10,683**	**6,935**
Taxation	7	(135)	–	(135)	(122)	–	(122)
Net profit/(loss) for the year		**(3,496)**	**42,372**	**38,876**	**(3,870)**	**10,683**	**6,813**
Earnings/(loss) per share (pence)	8	**(9.16)**	**110.97**	**101.81**	**(9.53)**	**26.32**	**16.79**

The "Total" column of this statement represents the Company's Statement of Comprehensive Income prepared in accordance with UK-adopted International Accounting Standards.

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

The "Revenue" and "Capital" columns represent supplementary information prepared under guidance set out in the statement of recommended practice for investment trust companies (the "SORP") issued by the Association of Investment Companies in July 2022.

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

The notes on pages 66 to 85 form part of these Financial Statements.

Statement of Changes in Equity
for the year ended 31 August 2024

	Note	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
At 31 August 2022		10,346	29,873	31,482	259,849	(46,661)	284,889
Net profit/(loss) for the year		–	–	–	10,683	(3,870)	6,813
Dividends paid in the year	9	–	–	–	(11,407)	–	(11,407)
Repurchase of ordinary shares into treasury		–	–	–	(9,978)	–	(9,978)
At 31 August 2023		10,346	29,873	31,482	249,147	(50,531)	270,317
Net profit/(loss) for the year		–	–	–	42,372	(3,496)	38,876
Dividends paid in the year	9	–	–	–	(10,768)	–	(10,768)
Repurchase of ordinary shares into treasury		–	–	–	(16,160)	–	(16,160)
At 31 August 2024		**10,346**	**29,873**	**31,482**	**264,591**	**(54,027)**	**282,265**

The notes on pages 66 to 85 form part of these Financial Statements.

Statement of Financial Position
as at 31 August 2024

	Note	2024 £'000	2023 £'000
Non-current assets			
Investments held at fair value through profit or loss	10	297,507	301,904
		297,507	**301,904**
Current assets			
Receivables	11	215	2,967
Cash and cash equivalents	12	10,433	–
		10,648	**2,967**
Total assets		**308,155**	**304,871**
Current liabilities			
Loan	13	(22,827)	–
Overdraft	12	–	(32,474)
Payables	13	(3,063)	(2,080)
		(25,890)	**(34,554)**
Net assets		**282,265**	**270,317**
Equity attributable to shareholders			
Share capital	15	10,346	10,346
Share premium	16	29,873	29,873
Capital redemption reserve	16	31,482	31,482
Capital reserves	16	264,591	249,147
Revenue reserve	16	(54,027)	(50,531)
Total equity attributable to shareholders		**282,265**	**270,317**
Net asset value per share (pence)	17	**766.30p**	**687.51p**

The Financial Statements on pages 62 to 64 were approved by the Board of Directors and authorised for issue on 4 November 2024 and signed on its behalf by:

Kate Cornish-Bowden
Chair

The notes on pages 66 to 85 form part of these Financial Statements.

Registered in England and Wales as a public company limited by shares
Company registration number: 02892872

Cash Flow Statement
for the year ended 31 August 2024

	Note	2024 £'000	2023 £'000
Operating activities			
Profit before finance costs and taxation		41,209	8,177
Adjustments for:			
Net foreign currency gains		(1,656)	(1,591)
Gains on investments at fair value through profit or loss		(41,620)	(9,606)
Net sales of investments at fair value through profit or loss		50,463	30,612
Dividend income		(1,045)	(840)
Interest income		(218)	(23)
Decrease/(increase) in receivables		14	(28)
(Decrease)/increase in payables		(746)	1,082
Overseas taxation paid		(134)	(111)
Net cash inflow from operating activities before dividends and interest		**46,267**	**27,672**
Dividends received		1,098	843
Interest received		185	23
Interest paid		(2,198)	(1,239)
Net cash inflow from operating activities		**45,352**	**27,299**
Financing activities			
Bank loan drawdown		46,186	–
Bank loan repaid		(21,456)	–
Repurchase of ordinary shares into treasury		(16,160)	(9,978)
Dividends paid	9	(10,768)	(11,407)
Net cash outflow from financing activities		**(2,198)**	**(21,385)**
Increase in cash and cash equivalents		**43,154**	**5,914**
Cash and cash equivalents at the start of the year		(32,474)	(39,976)
Effect of foreign exchange rates on cash and cash equivalents		(247)	1,588
Cash and cash equivalents at the end of the year	12	**10,433**	**(32,474)**

The notes on pages 66 to 85 form part of these Financial Statements.

1. Material accounting policies

The nature of the Company's operations and its principal activities are set out in the Strategic Report and Directors' Report.

The Company's Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards and those parts of the Companies Act 2006 (the "Act") applicable to companies reporting under UK-adopted International Accounting Standards. These comprise standards and interpretations approved by the International Accounting Standards Board ("IASB") and International Accounting Standards Committee ("IASC"), that remain in effect and to the extent that they have been adopted by the United Kingdom and the Listing Rules of the FCA.

For the purposes of the Financial Statements, the results and financial position of the Company are expressed in pounds sterling, which is the functional currency and the presentational currency of the Company.

Sterling is the functional currency because it is the currency which is most relevant to the majority of the Company's shareholders and creditors and the currency in which the majority of the Company's operating expenses are paid.

All values are rounded to the nearest thousand pound (£'000) except where otherwise indicated.

The principal accounting policies followed, which have been applied consistently for all years presented, are set out below:

(a) Basis of preparation

The Company's Financial Statements have been prepared on a going concern basis (as set out on page 35) and under the historical cost convention, as modified by the inclusion of investments at fair value through profit or loss.

Where presentational guidance set out in the Statement of Recommended Practice (the "SORP") for investment trusts issued by The Association of Investment Companies (the "AIC") in November 2014 (and updated in July 2022) is consistent with the requirements of UK-adopted International Accounting Standards, the Directors have sought to prepare the Financial Statements on a basis compliant with the recommendations of the SORP.

The financial position of the Company as at 31 August 2024 is shown in the Statement of Financial Position on page 64. As at 31 August 2024, the Company's total assets exceeded its total liabilities by a multiple of over 11. The assets of the Company consist mainly of securities that are held in accordance with the Company's investment policy, as set out on page 26. The Directors have considered a detailed assessment of the Company's ability to meets its liabilities as they fall due. The assessment took account of the Company's current financial position, its cash flows and its liquidity position. In addition to the assessment, the Company carried out stress testing, which used a variety of falling parameters to demonstrate the effects on the Company's share prices and NAV.

In light of the results of these tests, the Company's cash balances, and the liquidity position, the Directors consider that the Company has adequate financial resources to enable it to continue in operational existence. The Directors expect shareholders to vote in favour of continuation at the 2025 AGM. Accordingly, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Company's Financial Statements.

(b) Presentation of the Statement of Comprehensive Income

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Statement of Comprehensive Income.

The net loss after taxation in the revenue column is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Section 1158 of the Corporation Tax Act 2010 ("CTA").

(c) Presentation of the Cash Flow Statement

The presentation of the Cash Flow Statement, as permitted under IFRS, has been changed to present the 'Net cash flows from operating activities' in a manner that is consistent with that of the other investment trusts managed by the AIFM. As a result, certain comparative information was reclassified to conform with current year's presentation. There is no change to the 'Net cash inflow from operating activities' or the other sections of the Cash Flow Statement as presented in the previous year.

In addition, prior year borrowings, which included the overdraft facility with the previous custodian, were contained within cash and cash equivalents. The repayment of this facility has not been included within financing activities but instead reflected as part of the overall movement in cash and cash equivalents.

(d) Income

Dividends receivable on equity shares are recognised as revenue for the year on an ex-dividend basis. Special dividends are treated as revenue return or as capital return, depending on the facts of each individual case. Income from current asset investments is included in the revenue for the year on an accruals basis and is recognised on a time apportionment basis.

Where the Company has elected to receive its dividends in the form of additional shares rather than cash, the amount of cash dividend foregone is recognised as income in the revenue column of the Statement of Comprehensive Income. Any excess in the value of shares over the amount of cash dividend foregone is recognised as a gain in the capital column of the Statement of Comprehensive Income.

Interest from fixed income securities is recognised on a time apportionment basis so as to reflect the effective yield on the fixed income securities.

Deposit interest outstanding at the year end is calculated and accrued on a time apportionment basis using market rates of interest.

(e) Expenses and interest payable

Administrative expenses including the management fee and interest payable are accounted for on an accruals basis and are recognised when they fall due.

All expenses and interest payable have been presented as revenue items except as follows:

– Any performance fee payable is allocated wholly to capital, as it is primarily attributable to the capital performance of the Company's assets.

– Transaction costs incurred on the acquisition or disposal of investments are expensed and included in the costs of acquisition or deducted from the proceeds of sale as appropriate.

(f) Taxation

Deferred tax is calculated in full, using the liability method, on all taxable and deductible temporary differences at the Statement of Financial Position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled, based on tax rates and tax laws that have been enacted or substantively enacted at the Statement of Financial Position date.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented in the capital column of the Statement of Comprehensive Income is the marginal basis. Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue column of the Statement of Comprehensive Income, then no tax relief is transferred to the capital column.

(g) Non-current asset investments held at fair value

The Company holds three types of investments: direct investments in quoted companies; direct investments in unquoted companies; and indirect investments held through venture funds.

Investments are recognised or derecognised on the trade date where a purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

On initial recognition all non-current asset investments are designated as held at fair value through profit or loss as defined by UK-adopted International Accounting Standards. They are further categorised into the following fair value hierarchy:

–	Level 1:	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
–	Level 2:	Having inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
–	Level 3:	Having inputs for the asset or liability that are not based on observable market data.

All non-current investments (including those over which the Company has significant influence) are measured at fair value with gains and losses arising from changes in their fair value being included in net profit or loss for the year as a capital item.

Any gains and losses realised on disposal are recognised in the capital column of the Statement of Comprehensive Income.

Quoted investments

The fair value of quoted investments is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

Unquoted investments

In respect of unquoted investments (excluding investments in the SV unquoted funds), or where the market for a financial instrument is not active, fair value is established by the adviser using various valuation techniques, in accordance with the International Private Equity and Venture Capital ("IPEV") guidelines issued in December 2022 and Special Valuations Guidance issued in March 2020. These may include reference to recent rounds of re-financing undertaken by investee companies involving knowledgeable parties, an earnings or multiple, a discounted cashflow model or the present value of future milestone payments, all with reference to recent arm's length market transactions between knowledgeable parties, where available.

The valuations of the unquoted investments are assessed by the adviser to ensure that the fair value is fairly reflected and will be revalued accordingly, driven by the underlying assumptions deriving the value including: the ability of portfolio company management to keep cash and operating budgets; investor milestone targets; clinical trial data; progress of competitor products; performance of the investment and quality of the management team; and the market for the product being developed; and the broad climate of the economies of the countries in which they will likely be sold by reference to public stock market performance. Management scrutinises and challenges the assumptions, judgements and valuation inputs used by the adviser on a quarterly basis.

Investment in unquoted funds

The Company receives formal quarterly reports from each of the private equity companies in which SV Fund VI and SV BCOF (the "SV unquoted funds") holds an investment. The value of the SV unquoted funds' investment in these companies is reported in these quarterly reports. The reports typically arrive within 60 days of the end of the quarter (90 days at calendar year end). As soon as a quarterly report is received by the Company, the reported value of the SV unquoted funds is reflected in the NAV on the next NAV date.

1. Material accounting policies continued

(g) Non-current asset investments held at fair value continued

Investment in unquoted funds continued

During the period between quarterly reports, the Company may be advised of a sale of a portfolio company (or its securities) held within one of the funds at a different price from the last reported value in that quarterly report. As soon as the Company is informed of the completion of any such transaction establishing a new value for the investment, the new NAV of that investment to the SV unquoted funds is reflected in the NAV on the next NAV date. With respect to any investments within the SV unquoted funds for which there is a listed price, the Company revalues its investment in the SV unquoted funds to take account of market movements in the underlying security. The listed price of these underlying securities is monitored on a daily basis. Any price move in the SV unquoted funds' underlying investments that materially impacts the Company's holding in the SV unquoted funds is immediately reflected in the NAV on the next NAV date. If there are no material movements, these underlying securities are revalued on a monthly basis and immediately reflected in the NAV on the next NAV date.

The value of a fund investment used by the Company in determining the NAV is always based on the most current information known to the Company on the NAV date.

(h) Foreign currencies

Transactions involving currencies other than sterling are recorded at the exchange rate ruling on the transaction date.

At each Statement of Financial Position date, monetary items and non-monetary assets and liabilities that are fair valued, which are denominated in foreign currencies, are translated at the closing rates of exchange. Foreign currency exchange differences arising on translation are recognised in the Statement of Comprehensive Income. Exchange gains and losses on investments held at fair value through profit or loss are included within "Gains/(losses) on investments held at fair value".

(i) Critical accounting estimates and judgements

The preparation of financial statements in conformity with UK-adopted International Accounting Standards requires the use of estimates and judgements. These estimates and judgements affect the reported amounts of assets and liabilities at the reporting date. While estimates are based on best judgement using information and financial data available, the actual outcome may differ from these estimates. The key sources of estimation and uncertainty relate to the fair value of the unquoted investments.

Judgements

The Directors consider that the preparation of the Financial Statements involves the following key judgements:

(i) The fair value of the unquoted investments.

The key judgements in the fair value process are:

(i) The adviser's (SV Health's) determination of the appropriate application of the IPEV Valuation Guidelines (December 2022) and Special Valuations Guidance (March 2020) to each unquoted investment; and

(ii) The Directors' consideration of whether each fair value is appropriate following detailed review and challenge. The judgement applied by the adviser in the selection of the methodology used for determining the fair value of each unquoted investment can have a significant impact upon the valuation.

Estimates

The key estimate in the Financial Statements is the determination of the fair value of the unquoted investments (excluding investments in the SV unquoted funds) by SV Health for consideration by the Directors. This estimate is key as it significantly impacts the valuation of the unquoted investments (excluding investments in the SV unquoted funds) at the Statement of Financial Position date. The fair value process involves estimation using subjective inputs that are unobservable (for which market data is unavailable).

The main estimates involved in the selection of the valuation process inputs are:

(i) The application of an appropriate discount factor to reflect macro-economic factors and the reduced liquidity of unquoted companies;

(ii) The selection of an appropriate estimate of the probability of royalty income reflecting potential commercial uptake risk, competitor risk and uncertainty around drug pricing; and

(iii) The calculation of valuation adjustments derived from milestone achievement analysis incorporating the likelihood of clinical trial success.

Fair value estimates are cross-checked to alternative estimation methods where possible to improve the robustness of the estimate. As the valuation outcomes may differ from the fair value estimates, a price sensitivity analysis is provided in Level 3 investments at fair value through profit and loss – price risk sensitivity in note 19.7 on page 82 to illustrate the effect on the Financial Statements of an over or under estimation of the significant observable inputs.

(j) Other financial assets and liabilities

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, short-term deposits and bank overdrafts. These are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes and cash balances are held at their fair value (translated to sterling at the Statement of Financial Position date where appropriate).

Interest-bearing bank loans are initially recognised at cost, being the proceeds received net of direct issue costs, and subsequently at amortised cost.

(k) Receivables

Other receivables do not carry any right to interest and are short term in nature. Accordingly they are stated at their nominal value (amortised cost) reduced by appropriate allowances for estimated irrecoverable amounts.

(l) Other payables

Other payables are not interest-bearing and are stated at their nominal amount (amortised cost). Where there are any long-term borrowings, finance costs are calculated over the term of the debt on the effective interest basis.

(m) Bank loans and finance costs

Interest-bearing bank loans are initially recognised at cost, being the proceeds received net of direct issue costs, and subsequently at amortised cost. The amounts falling due for repayment within one year are included under current liabilities and more than one year under non-current liabilities in the Statement of Financial Position.

Finance costs are calculated using the effective interest rate method and are accounted for on an accruals basis and, in line with the management fee expense, are charged 100% to the revenue account of the Statement of Comprehensive Income.

(n) Repurchase of ordinary shares (including those held in treasury) and subsequent reissues

The costs of repurchasing ordinary shares including related stamp duty and transaction costs are taken directly to equity and reported through the Statement of Changes in Equity as a charge on the capital reserves.

The sales proceeds of treasury shares reissued are treated as a realised profit up to the amount of the purchase price of those shares and is transferred to capital reserves. The excess of the sales proceeds over the purchase price is transferred to share premium.

Share purchase transactions are accounted for on a trade date basis. The nominal value of ordinary share capital repurchased and cancelled is transferred out of called up share capital and into the capital redemption reserve. Where shares are repurchased and held in treasury, the transfer to the capital redemption reserve is made if and when such shares are subsequently cancelled.

(o) Dividend distributions

Dividend distributions to shareholders are recognised in the period in which they are paid.

(p) Reserves

(i) Capital redemption reserve:

The capital redemption reserve, which is non-distributable, holds the amount by which the nominal value of the Company's issued share capital is diminished when shares redeemed or purchased out of the Company's distributable reserves are subsequently cancelled.

(ii) Share premium account:

A non-distributable reserve, represents the amount by which the fair value of the consideration received exceeds the nominal value of shares issued.

(iii) Capital reserves:

When making a distribution to shareholders, the Directors determine profits available by reference to 'Guidance on realised and distributable profits under the Companies Act 2006' issued by the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of Scotland in April 2017. The availability of distributable reserves in the Company is dependent on those dividends meeting the definition of qualifying consideration within the guidance and on available cash resources of the Company and other accessible source of funds. The distributable reserves are therefore subject to any future restrictions or limitations at the time such distribution is made.

The following are accounted for in this reserve and are distributable:

- Gains and losses on the realisation of investments;
- Realised investment holding gains and losses;
- Foreign exchange gains and losses;
- Performance fee;
- Reissue of ordinary shares from treasury;
- Repurchase of ordinary shares in issue; and
- Dividends paid to shareholders.

Note: Unrealised unquoted holding gains are not distributable.

(iv) Revenue reserve:

Comprises accumulated undistributed revenue profits and losses.

1. Material accounting policies continued

(q) New and revised accounting standards

There were no new IFRSs or amendments to IFRSs applicable to the current year which had any significant impact on the Company's Financial Statements.

i) The following new or amended standards became effective for the current annual reporting period and the adoption of the standards and interpretations have not had a material impact on the Financial Statements of the Company.

Standards and Interpretations		Effective for periods commencing on or after
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	Requirement amended to disclose material accounting policies instead of significant accounting policies and provided guidance in making materiality judgements to accounting policy disclosure.	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	Introduced the definition of accounting estimates and included other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policy.	1 January 2023

ii) At the date of authorisation of the Company's Financial Statements, the following relevant standards that potentially impact the Company are in issue but are not yet effective and have not been applied to the Financial Statements:

Standards and Interpretations		Effective for periods commencing on or after
International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)	A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements: – Non-current Liabilities with Covenants – Deferral of Effective Date Amendment (published 15 July 2020) Classification of Liabilities as Current or Non-current (Amendments to IAS 1) (publicised 23 January 2020)	The amendments clarify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification as current or non-current and the disclosure requirement in the financial statements for the risk that non-current liabilities with covenants could become repayable within twelve months.	1 January 2024
Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	The amendments address the disclosure requirements to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk.	1 January 2024

The Directors expect that the adoption of the standards listed above will have either no impact or that any impact will not be material on the Financial Statements of the Company in future periods.

2. Gains on investments held at fair value through profit or loss

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
Gains on sales of investments based on historic cost	11,923	13,719
Amounts recognised in investment holdings losses in the previous year in respect of investments sold in the year	12,199	35,163
Gains on sales of investments based on the carrying value at the previous Statement of Financial Position date	**24,122**	**48,882**
Net movement in investment holding gains	17,498	(39,276)
Gains on investments held at fair value through profit or loss	**41,620**	**9,606**
Gains attributable to:		
Quoted investments	36,155	7,743
Unquoted investments	5,465	1,863
	41,620	**9,606**

3. Income

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
Income from investments:		
UK dividends	146	22
Overseas dividends	899	818
	1,045	**840**
Other income:		
Deposit interest	218	23
Total income	**1,263**	**863**

4. Management and performance fees

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
Management fee (allocated to revenue)	1,297	1,810
Performance fees (allocated to capital)	904	514

The basis for calculating the investment management fee and any performance fees are set out in the Directors' Report on page 41.

Following the investments into the SV unquoted funds, the management fee is partially paid through the venture capital investments. Venture capital fees paid through the investment in the SV unquoted funds in the year were £691,000 (2023: £791,000). The total management fee on a comparative basis was £1,988,000 (2023: £2,601,000).

Refer to note 18, Transactions with the Manager and related party transactions on page 77, for further details.

5. Administrative expenses

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
General expenses	723	1,086
Directors' fees*	218	162
Company secretarial and administration fees	111	235
Auditors' remuneration for audit services[1]	77	76
	1,129	**1,559**

[1]There are no non-audit services performed by the auditors during the year (2023: None).

*As reported in the Chair's Statement, a one off fee, amounting to £46,310 in total, was paid to the Directors following the completion of the change of Manager in November 2023 to compensate the Directors for the considerable additional time and commitment associated with the transaction. Full details are provided in the Directors' Remuneration Report.

6. Finance costs

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
Interest on loan and overdraft	**2,198**	**1,242**

All finance costs are allocated 100% to revenue.

7. Taxation

(a) Analysis of the tax charge for the year

	For the year ended 31 August 2024			For the year ended 31 August 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Irrecoverable overseas tax	135	–	135	122	–	122
Taxation for the year	**135**	**–**	**135**	**122**	**–**	**122**

The Company has no corporation tax liability for the year ended 31 August 2024 (2023: the same).

(b) Factors affecting the tax charge for the year

The tax assessed for the year ending 31 August 2024 is lower (2023: lower) than the Company's applicable rate of corporation tax for that year of 25% (2023: 21.5%).

The factors affecting the tax charge for the year are as follows:

	For the year ended 31 August 2024			For the year ended 31 August 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net return/(loss) before taxation	(3,361)	42,372	39,011	(3,748)	10,683	6,935
Net return/(loss) before taxation multiplied by the Company's applicable rate of corporation tax for the year of 25% (2023: 21.5%)	(840)	10,593	9,753	(806)	2,297	1,491
Effects of:						
Revenue not chargeable to corporation tax	(261)	–	(261)	(186)	–	(186)
Tax exempt capital returns on investments	–	(10,405)	(10,405)	–	(2,065)	(2,065)
Non taxable exchange gains	–	(414)	(414)	–	(342)	(342)
Non taxable expenses not utilised in the year	1,101	226	1,327	992	110	1,102
Irrecoverable overseas tax	135	–	135	122	–	122
Taxation for the year	**135**	**–**	**135**	**122**	**–**	**122**

(c) Deferred taxation

The Company has an unrecognised deferred tax asset of £21,345,000 (2023: £18,937,000) based on a main rate of corporation tax of 25% (2023: 25%). The main rate of corporation tax increased to 25% for fiscal years beginning on or after 1 April 2023.

The deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income. Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the Financial Statements.

Given the Company's status as an investment trust company, no provision has been made for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

8. (Loss)/earnings

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
Net revenue loss	(3,496)	(3,870)
Net capital profit	42,372	10,683
Total profit	**38,876**	**6,813**
Weighted average number of ordinary shares in issue during the year*	38,184,030	40,583,458
Revenue loss per share (pence)	(9.16)	(9.53)
Capital profit per share (pence)	110.97	26.32
Total earnings per share (pence)	**101.81**	**16.79**

*Excluding those ordinary shares held in treasury.

9. Dividends paid

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
2024 First interim dividend paid of 13.90p per share (2023: 14.00p per share)	5,391	5,707
2024 Second interim dividend paid of 14.50p per share (2023: 14.20p per share)	5,377	5,700
Total dividends paid of 28.40p per share (2023: 28.20p per share)	**10,768**	**11,407**

Dividends are included in the Financial Statements in the year in which they are paid.

The Company is not required to pay a dividend under the requirements of Section 1158 CTA due to the negative accumulated balance on its revenue reserve. The above dividends are paid out of the capital reserve.

10. Investments held at fair value through profit or loss

(a) Analysis of investments

	31 August 2024 £'000	31 August 2023 £'000
Quoted overseas	270,883	276,642
	270,883	**276,642**
Unquoted in the United Kingdom	8,813	5,630
Unquoted overseas	17,811	19,632
	26,624	**25,262**
Valuation of investments	**297,507**	**301,904**

(b) Movements on investments

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
Opening book cost	311,290	318,702
Opening investment holding losses	(9,386)	(5,273)
Opening fair value	**301,904**	313,429
Analysis of transactions made during the year		
Purchases at cost	349,648	335,996
Sales proceeds	(395,665)	(357,127)
Gains on investments held at fair value through profit or loss	41,620	9,606
Closing fair value	**297,507**	**301,904**
Closing book cost	277,196	311,290
Closing investment holding gains/(losses)	20,311	(9,386)
Closing fair value	**297,507**	**301,904**

The Company received £395,665,000 (2023: £357,127,000) from disposal of investments in the year. The book cost of these investments when they were purchased was £383,742,000 (2023: £343,408,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

The investment holding gains of £20,311,000 (2023: losses of £9,386,000) have not been further analysed between those amounts that are distributable and those that are not distributable.

The following transaction costs, including stamp duty and broker commissions were incurred during the year:

	For the year ended 31 August 2024 £'000	For the year ended 31 August 2023 £'000
On acquisitions	146	104
On disposals	122	112
	268	**216**

10. Investments held at fair value through profit or loss continued

(c) Significant undertakings

The Company has interests of 3% or more of any class of capital in the following investee companies.

	Class of share held	% of class of share held	Country of incorporation
Uniqure	Ordinary	3.02%	Netherlands
Karus Therapeutics*	Series B Pref	3.25%	UK
TopiVert*	Series A	12.01%	UK
TopiVert*	Series B	19.65%	UK

*This investment is currently in liquidation and the fair value of the holding has been fully written off.

The Company has a holding of 11.2% in the unquoted fund SV BCOF and 7.7% in the unquoted fund SV Fund VI which are both managed by SV Health. These percentages are of the underlying fund share capital and not the NAV of the Company. The total invested in both funds to date is $34.5 million (at cost). The investment is drawn and not committed.

Arrangements are in place to ensure there is no double charging of management fees.

(d) Disposals of unquoted investments

There were no significant unquoted investment disposals during the year (2023: nil).

(e) Significant changes in fair values of unquoted investments

During the year under review the following unquoted investments were written up/(down) by a significant extent (adjusted for currency movements):

	Write up/ (down) 2024 £'000	Write up/ (down) 2023 £'000
SV Fund VI*	(985)	(4,761)
SV BCOF*	3,233	1,788

*The movement in Fair Value ("FV") was a combination of distributions from the above funds of £5.7 million (2023: £10.0 million), capital contributions of £3.0 million (2023: £5.7 million), and foreign currency and FV gains of £5.0 million (2023: £1.3 million).

11. Current assets

	At 31 August 2024 £'000	At 31 August 2023 £'000
Receivables		
Securities sold awaiting settlement	–	2,717
Dividends and interest receivable	109	2
Prepaid expenses	7	35
Tax recoverable	45	46
VAT recoverable	54	167
	215	**2,967**

12. Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the Statement of Cash Flows:

	At 31 August 2024 £'000	At 31 August 2023 £'000
Cash at bank	10,433	—
Bank overdraft	–	(32,474)
Cash and cash equivalents	**10,433**	**(32,474)**

In the prior year the Company made use of the £55.0 million unsecured multi-currency overdraft facility. All cash balances were netted off against the drawn facility to result in a net drawn overdraft balance. Following the change in custodian during the year, this facility closed and the Company entered into a secured revolving credit facility with the Bank of Novia Scotia (see note 13).

13. Current liabilities

	At 31 August 2024 £'000	At 31 August 2023 £'000
Payables		
Loan	22,827	–
Securities purchased awaiting settlement	1,872	143
Accrued expenses	1,191	1,190
Other	–	747
	25,890	**2,080**

The Company arranged a £55 million secured credit facility revolving on a monthly basis with The Bank of Nova Scotia, effective from 16 November 2023. Interest is payable at the aggregate of the compounded Risk Free Rate ("RFR") for the relevant currency and loan period, plus a margin. Amounts are normally drawn down on the facility for a one month period, at the end of which it may be rolled over or adjusted. As at 31 August 2024, the Company had a drawndown amount of US$30 million (£22.8 million) (2023: Nil) which carries an interest rate of 6.5% per annum (2023: Nil). The revolving credit facility is secured on all of the Company's assets (except for level 3 assets) and undertakings both present and future. The drawings are subject to covenants and restrictions which are customary for a facility of this nature and all of these have been complied with.

14. Capital commitments – contingent assets and liabilities

The Company made a $30.0 million commitment to SV Fund VI in 2016. Of this $30.0 million commitment, the Company has further commitments of $3.0 million as at 31 August 2024 (2023: $4.1 million). The outstanding capital commitments are callable by SV Fund VI at any time.

While the fund will no longer make new investments, additional follow on investments are likely to be made by the fund into its investee companies.

The Company has a commitment of $30.0 million to SV BCOF (2023: $30.0 million). The Company made no further commitments in 2024 (2023: $5.0 million). Of this commitment, the Company has further commitments of $21.5 million (including recallable distributions) as at 31 August 2024 (2023: $22.8 million).

15. Share capital

	At 31 August 2024 £'000	At 31 August 2023 £'000
Ordinary shares of 25p each, allotted, called-up and fully paid:		
Opening balance of 39,318,183 (2023: 40,863,009) shares, excluding shares held in treasury	9,830	10,216
Repurchase of 2,483,273 (2023: 1,544,826) shares into treasury	(621)	(386)
Sub total of 36,834,910 (2023: 39,318,183) shares, excluding shares held in treasury	9,209	9,830
4,548,907 (2023: 2,065,634) shares held in treasury	1,137	516
Closing balance of 41,383,817 (2023: 41,383,817) shares	**10,346**	**10,346**

The ordinary shares rank *pari passu*, and each share carries one vote. The ordinary shares held in treasury have no voting rights and are not entitled to dividends. The nominal value of each share is 25p.

During the year, the Company purchased 2,483,273 of its own shares, nominal value of £621,000 to hold in treasury for a total consideration of £16,160,000 representing 6.0% of the shares outstanding at the beginning of the year (including shares held in treasury). The reason for these shares purchases was to seek to manage the volatility of the share price discount to net asset value per share.

16. Reserves

	Share premium[1] £'000	Capital redemption reserve[1] £'000	Capital reserves: Gains and losses on sales of investments[2] £'000	Capital reserves: Investment holding gains and losses[3] £'000	Revenue reserve[4] £'000
At 1 September 2023	29,873	31,482	258,533	(9,386)	(50,531)
Gains on sales of investments based on the carrying value at the previous Statement of Financial Position date	–	–	24,122	–	–
Net movement in investment holding gains and losses	–	–	–	17,498	–
Transfer on disposal of investments	–	–	(12,199)	12,199	–
Realised exchange losses on cash and short-term deposits	–	–	(247)	–	–
Exchange gains on foreign currency loan	–	–	830	1,073	–
Performance fee allocated to capital	–	–	(904)	–	–
Share repurchases into treasury	–	–	(16,160)	–	–
Dividend paid	–	–	(10,768)	–	–
Net revenue loss for the year	–	–	–	–	(3,496)
At 31 August 2024	**29,873**	**31,482**	**243,207**	**21,384**	**(54,027)**

	Share premium[1] £'000	Capital redemption reserve[1] £'000	Capital reserves: Gains and losses on sales of investments[2] £'000	Capital reserves: Investment holding gains and losses[3] £'000	Revenue reserve[4] £'000
At 1 September 2022	29,873	31,482	265,122	(5,273)	(46,661)
Gains on sales of investments based on the carrying value at the previous Statement of Financial Position date	–	–	48,882	–	–
Net movement in investment holding gains and losses	–	–	–	(39,276)	–
Transfer on disposal of investments	–	–	(35,163)	35,163	–
Realised exchange gains on cash and short-term deposits	–	–	1,591	–	–
Performance fee allocated to capital	–	–	(514)	–	–
Share repurchases into treasury	–	–	(9,978)	–	–
Dividend paid	–	–	(11,407)	–	–
Net revenue loss for the year	–	–	–	–	(3,870)
At 31 August 2023	**29,873**	**31,482**	**258,533**	**(9,386)**	**(50,531)**

[1]These reserves are not distributable.
[2]These are realised (distributable) capital reserves which may be used to repurchase the Company's own shares or distributed as dividends.
[3]This reserve comprises holding gains on liquid investments (which may be deemed to be realised) and other amounts which are unrealised. An analysis has not been made between those amounts that are realised (and may be distributed as dividends or used to repurchase the Company's own shares) and those that are unrealised.
[4]The revenue reserve may be distributed as dividends or used to repurchase the Company's own shares (subject to being a positive balance). A negative revenue reserve will reduce any distributable reserves available in the capital reserve.

17. Net asset value per share

	For the year ended 31 August 2024	For the year ended 31 August 2023
Net assets attributable to shareholders (£'000)	282,265	270,317
Shares in issue at year end	36,834,910	39,318,183
Net asset value per share (pence)	**766.30**	**687.51**

18. Transactions with the Manager and related party transactions

(a) Transactions with the AIFM/Investment Manager

With effect from 20 November 2023, Schroder Unit Trusts Limited ("SUTL") has been appointed as the Company's AIFM. SUTL agreed to waive its management fee for the first six months from 20 November 2023, after which the management fee payable by the Company on its quoted portfolio will be 0.7% per annum.

Details of the management and performance fee agreements are given in the Directors' Report on page 41. The management fee payable in respect of the year amounted to £1,988,000 (2023: £2,601,000) which includes £691,000 (2023: £791,000) paid to SV Health for the Company's investments into the SV unquoted funds. As at year end, £308,000 was outstanding to SUTL (2023: £122,000 to SV Health).

Details of the previous management fee arrangement with SV Heath are given in the Directors' Report on page 41 of the Annual Report for the year ended 31 August 2023.

	At 31 August 2024 £'000	At 31 August 2023 £'000
Fees paid to the investment manager/adviser:		
Management fee paid by the Company directly to SUTL	498**	–
Management fee paid through unquoted funds to SV Health	154	791
Adviser fee paid through unquoted funds to SV Health	537	–
Management fee paid by the Company directly to SV Health	799*	1,810
Accounting and administration fee payable by the Company directly to SUTL	78	–
Total	**2,066**	**2,601**

*Includes a termination fee of £289,439 paid to SV Health.

**Reflects SUTL agreed waiver of six months management fees from 20 November 2023 to 20 May 2024 under the terms of the new AIFM agreement.

A performance fee of £904,000 was payable for the year ended 31 August 2024 (2023: £514,000). Of the £904,000 payable, £35,000 was outstanding to SV Health and £693,000 was outstanding to SUTL at the year end. £176,000 was paid to SV Health before the Company transitioned to SUTL.

Under the terms of the new AIFM, SUTL is entitled to receive an annual fee of £100,000 in respect of the accounting and administration services it provides to the Company. The administration fee payable in respect of the period under SUTL was £78,000 of which £17,000 was outstanding at the year end.

SV Health will continue to provide ongoing investment management assistance to the Company in respect of the exited investments with contingent milestones, the exited investments in liquidation and the directly held unquoted investments in consideration for payment of a performance fee on the same terms as previously set out in the Directors' Report on page 41 of the Annual Report for the year ended 31 August 2023.

(b) Related party transactions

The Directors of the Company are key management personnel. The total remuneration payable to Directors in respect of the year ended 31 August 2024 was £218,000 (2023: £162,000) of which £27,000 (2023: £nil) was outstanding at the year end.

This includes a one off fee of £47,000 for the additional work in relation to the change of AIFM.

19. Financial instruments

Risk management policies and procedures

The Company's financial assets and liabilities, in addition to short-term debtors and creditors and cash, comprise financial instruments which include investments in equity.

The holding of securities, investment activities and associated financing undertaken pursuant to the investment policy involve certain inherent risks. Events may occur that would result in either a reduction in the Company's net assets or a reduction of the total return.

The main risks arising from the Company's pursuit of its investment objective are those that affect stock market levels: market risk, credit risk and liquidity risk. In addition, there are specific risks inherent in investing in the biotechnology sector. The Board reviews and agrees policies for managing these risks, as summarised below. These policies have remained substantially unchanged throughout the current and preceding year. In assessing any changes to these risks, the Board considered changes in the economic and geopolitical climate, including the resurgence of the conflict in the Middle East; the continuing war in Ukraine and the increasingly tense relations between the US and China, and noted that it did not have a significant impact on the risk management policies for the year end 31 August 2024.

19.1 Market risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements - price risk, currency risk and interest rate risk. The Portfolio Managers assess the exposure to market risk when making each investment decision, and monitor the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

19. Financial instruments continued

Risk management policies and procedures continued

19.1 Market risk continued

(a) Price risk

The Company is an investment company and as such its performance is dependent on the valuation of its investments. A breakdown of the investment portfolio is given on pages 22 to 24. Market price risk arises mainly from uncertainty about future prices of the financial instruments held.

Management of the risk

The Board regularly considers the asset allocation of the portfolio as part of the process of managing the risks associated with the biotechnology sector, described in greater detail in the section on specific risk (note 19.4), whilst continuing to follow the investment objective. It is not the Company's current policy to use derivative instruments to hedge the investment portfolio against market price risk.

Price risk exposure

At the year end, the Company's assets exposed to market price risk were as follows:

	At 31 August 2024 £'000	At 31 August 2023 £'000
Non-current asset investments at fair value through profit or loss	297,507	301,904
Total	**297,507**	**301,904**

The level of assets exposed to market price risk decreased by approximately 1.5% (2023: 3.7%) during the year, through a combination of acquisitions and disposal of investments and changes in fair values.

Concentration of exposure to price risk

The Company currently holds investments in 83 (2023: 76) companies (excluding those valued at £nil), in a mixture of quoted and unquoted investments in a variety of countries, which significantly spreads the risk of individual investments performing poorly and reduces the concentration of exposure.

This includes the Company's investment into SV Fund VI and SV BCOF as two unquoted holdings. However, SV Fund VI and SV BCOF have 13 and 7 companies, respectively, in their own portfolios. The classification of investments by sector is provided within the Investment Portfolio section of the report.

Price risk sensitivity

The following table illustrates the sensitivity of the profit for the year and the equity to an increase or decrease of 10% (2023: 10%) in the fair values of the Company's investments. The Board believes that a 10% (2023: 10%) movement is sufficient to provide a reasonable range that could have affected the investment valuations at the year end. This level of change is considered to be reasonably possible based on observation of current market conditions and based on the average total share price percentage return over the last five years on the '10-Year Financial Record' page. The sensitivity analysis is based on the Company's investments at each Statement of Financial Position date, with all other variables held constant.

	At 31 August 2024		At 31 August 2023	
	Increase in fair value £'000	Decrease in fair value £'000	Increase in fair value £'000	Decrease in fair value £'000
Effect on net revenue return	(208)	208	(272)	272
Effect on net capital return	29,751	(29,751)	30,190	(30,190)
Effect on total net return and net assets	**29,543**	**(29,543)**	**29,918**	**(29,918)**

(b) Currency risk

The Financial Statements of the Company are denominated in sterling. However, the majority of the Company's assets and the total return are denominated in US dollars, accordingly the total return and capital value of the Company's investments can be significantly affected by movements in foreign exchange rates. It is not the Company's policy to hedge against foreign currency movement.

Management of the risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis, and reports to the Board on a regular basis.

Foreign currency exposure

The fair values of the Company's monetary items that have foreign currency exposure at 31 August 2024 are shown below. Where the Company's equity investments (which are not monetary items) are priced in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

	At 31 August 2024 £'000	At 31 August 2023 £'000
Monetary (liabilities)/assets		
Cash and cash equivalents:		
US dollars	7,009	(32,084)
Short-term receivables:		
US dollars	109	2,756
Danish krone	13	13
Short-term payables:		
US dollars	(24,716)	(143)
Foreign currency exposure on net monetary items	**(17,585)**	**(29,458)**
Non-current asset investments held at fair value		
US dollars	291,948	293,614
Euros	5,178	7,405
Swedish krona	–	454
Total net foreign currency exposure	**279,541**	**272,015**

At the year end, approximately 99.0% (2023: 100.6%) of the Company's net assets were denominated in currencies other than sterling. This level of exposure is broadly representative of the levels throughout the year.

Foreign currency sensitivity

The company measures foreign currency sensitivity by calculating the standard deviation of rates throughout the financial year. On this basis sterling strengthened by 3.7% against the US dollar, by 1.7% against the Euro and by 1.8% against the Danish krone and weakened by 0.4% against the Swiss franc and by 3.0% against Swedish krona (2023: strengthened 0.63%, 0.36%, 0.36%, 0.75% and 0.44% respectively). Given the movements over the last two years, a change of 10% or even more is possible.

The following table illustrates the sensitivity of the profit after taxation for the year and the equity in regard to the Company's financial assets and financial liabilities, assuming a 10% (2023: 10%) change in exchange rates.

If sterling had weakened by 10% against the exposure currencies, with all other variables held constant, this would have affected Company net assets and net profit for the year attributable to equity shareholders as follows:

	At 31 August 2024 £'000	At 31 August 2023 £'000
US dollars	27,435	26,414
Euros	518	741
Danish krone	1	1
Swedish krona	–	45
	27,954	**27,201**

If sterling had strengthened by 10% against the exposure currencies, with all other variables held constant, this would have affected Company net assets and net profit after taxation attributable to equity Shareholders as follows:

	At 31 August 2024 £'000	At 31 August 2023 £'000
US dollars	(27,435)	(26,414)
Euros	(518)	(741)
Danish krone	(1)	(1)
Swedish krona	–	(45)
	(27,954)	**(27,201)**

In the opinion of the Directors, the above sensitivity analyses are not necessarily representative of the year as a whole, since the level of exposure changes as part of the currency risk management process used to meet the Company's objectives.

19. Financial instruments continued

Risk management policies and procedures continued

19.1 Market risk continued

(c) Interest rate risk

The Company will be affected by interest rate changes as it holds interest-bearing financial assets and liabilities. Interest rate changes will also have an impact on the valuation of investments, although this forms part of price risk, which is considered separately above.

Management of the risk

Interest rate risk is limited by the Company's financial structure with operations mainly financed through the share capital, share premium and retained reserves. The majority of the Company's financial assets are, under normal circumstances, equity shares and other investments which neither pay interest nor have a stated maturity date. Liquidity and loan facilities are managed with the aim of increasing returns for shareholders.

In the normal course of business, the Company's policy is to be fully invested and, other than as arising from the timing of investment transactions, the cash holding is kept to a minimum.

It is not the Company's policy to use derivative instruments to mitigate interest rate risk, as the Board believes that the effectiveness of such instruments does not justify the costs involved.

Interest rate exposure

The exposure of financial assets and financial liabilities to floating rates, giving cash flow interest risk when rates are re-set, is shown below:

	At 31 August 2024 £'000	At 31 August 2023 £'000
Exposure to floating interest rates:		
Cash and cash equivalents	10,433	(32,474)
Other payables: drawings on credit facility	(22,827)	–
Total exposure	**(12,394)**	**(32,474)**

See notes 12 and 13 for details of the secured revolving credit facility, the prior year overdraft, and the respective interest rates.

The above year end amounts are not representative of the exposure to interest rates during the year as the level of cash balances and drawings on the secured credit facility have fluctuated. The maximum and minimum net interest rate exposure during the year has been as follows:

	At 31 August 2024 £'000	At 31 August 2023 £'000
Maximum interest rate exposure during the year - net debt	(34,101)	(32,474)
Maximum/minimum interest rate exposure during the year - net cash/(debt)	117	(24,193)

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 3.0% (2023: 3.0%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's monetary financial instruments held at the Statement of Financial Position date with all other variables held constant.

	At 31 August 2024		At 31 August 2023	
	3% increase in rate £'000	3% decrease in rate £'000	3% increase in rate £'000	3% decrease in rate £'000
Effect on net revenue return	(372)	372	(974)	974
Effect on net capital return	–	–	–	–
Effect on total net return	**(372)**	**372**	**(974)**	**974**

In the opinion of the Directors, this sensitivity analysis may not be representative of the Company's future exposure to interest rate changes due to fluctuations in the level of cash balances and drawings on the secured credit facility.

(d) Loss of investor appetite

Loss of investor appetite risk is the risk that there will be a loss of investor appetite for investing in the sector as a result of political conditions, including FDA and FTC policy, or declining interest in IPOs.

Management of the risk

Loss of investor appetite risk is mitigated as the Portfolio Managers update the Board monthly and at each scheduled Board meeting on issues pertinent to the portfolio and the biotechnology sector generally, including expected future drivers.

Loss of investor appetite risk exposure

As an investment trust that invests in the biotechnology sector the Company has a moderate loss of investor appetite risk exposure.

19.2 Credit risk

Credit risk is the exposure to loss from failure of a counterparty to deliver securities or cash for acquisitions or disposals of investments. Additionally, the Company has funds on deposit with banks or in money market funds. HSBC Bank plc is the Custodian of the Company's assets. The Company's investments are held in accounts which are segregated from the Custodian's own trading assets. If the Custodian were to be become insolvent, the Company's right of ownership is clear and they are therefore protected. However, cash balances deposited with the Custodian may be at risk in this instance, as the Company would rank alongside other creditors.

Management of the risk

During the year the Company bought and sold investments only through brokers which had been approved by the Manager as acceptable counterparties. In addition, limits are set as to the maximum exposure to any individual broker that may exist at any time. These limits are reviewed regularly.

Cash balances will only be deposited with reputable banks with high quality credit ratings.

Credit risk exposure

	At 31 August 2024 £'000	At 31 August 2023 £'000
Sales awaiting settlement	–	2,717
Accrued income	109	2
Cash at bank	10,433	–
	10,542	**2,719**

All of the above financial assets are current, their fair values are considered to be the same as the values shown and the likelihood of a material credit default is considered to be low.

None of the Company's financial assets are past due or impaired.

19.3 Liquidity risk

Liquidity risk is the possibility of failure of the Company to realise sufficient assets to meet its financial liabilities.

Management of the risk

Liquidity and cash flow risk are mitigated as the Portfolio Managers aim to hold sufficient Company assets in the form of readily realisable securities which can be sold to meet funding commitments as necessary. In addition, the Company has a secured credit facility with The Bank of Nova Scotia, London Branch of £55.0 million (2023: Overdraft facility – Northern Trust Bank $55.0 million).

It should be noted, however, that investments in unquoted securities will not be readily realisable. Furthermore, even where the Company holds an investment in quoted securities, the Company may be restricted in its ability to trade that investment either because the investment becomes subject to restrictions when the company concerned becomes publicly quoted or, at certain times, as a consequence of the Company being privy to confidential price sensitive information as a result of the Portfolio Managers' active involvement in that company.

Liquidity risk exposure

As an investment trust, the Company has limited liquidity risk. In any event, the Company estimates it could liquidate 87% (2023: 56%) of the portfolio within five days if required. A summary of the Company's financial liabilities is provided in sub-note 19.6.

19.4 Sector specific risk

As well as the general risk factors outlined above, investing in the biotechnology sector carries some particular risks:

(a) the stock prices of publicly quoted biotechnology companies have been characterised by periods of high volatility;

(b) a significant proportion of the Company's investments will be in companies whose securities are not publicly traded or freely marketable and may, therefore, be difficult to realise. In addition, there are inherent difficulties in valuing unquoted investments and the realisations from sales of investments could be less than their carrying value;

(c) biotechnology companies typically have a limited product range and those products may be subject to extensive government regulation. Obtaining necessary approval for new products can be a lengthy process, which is expensive and uncertain as to outcome;

(d) technological advances can render existing biotechnology products obsolete;

19. Financial instruments continued

Risk management policies and procedures continued

19.4 Sector specific risk continued

(e) intense competition exists in certain product areas in relation to obtaining and sustaining proprietary technology protection and the complex nature of the technologies involved can lead to patent disputes;

(f) certain biotechnology companies may be exposed to potential product liability risks, particularly in relation to the testing, manufacturing and sales of healthcare products;

(g) biotechnology companies spend a considerable proportion of their resources on R&D, which may be commercially unproductive or require the injection of further funds to exploit the results of their work; and

(h) the growing cost of providing healthcare has placed financial strains on governments, insurers, employers and individuals, all of whom are searching for ways to reduce costs. As a result, certain areas may be affected by price controls and reimbursement limitations.

19.5 Fair values of financial assets and financial liabilities

All financial assets and liabilities are either carried in the Statement of Financial Position at fair value or the Statement of Financial Position amount is a reasonable approximation of fair value. The fair value of quoted shares and securities is based on the bid price or last traded price, depending on the convention of the exchange on which the investment is quoted.

Unquoted investments are valued in accordance with IPEVC Guidelines. The methods commonly used to value unquoted securities are stated in accounting policy 1(f).

19.6 Summary of financial assets and financial liabilities by category

The carrying amounts of the Company's financial assets and financial liabilities as recognised at the Statement of Financial Position date of the reporting periods under review are categorised as follows:

Financial assets

	At 31 August 2024 £'000	At 31 August 2023 £'000
Financial assets at fair value through profit or loss:		
Non-current asset investments – designated as such on initial recognition	297,507	301,904
Cash and receivables:		
Current assets:		
Receivables	215	2,967
Cash at bank	10,433	–
	10,648	**2,967**

Financial liabilities

	At 31 August 2024 £'000	At 31 August 2023 £'000
Measured at amortised cost		
Creditors: amounts falling due within one month:		
Purchases awaiting settlement	1,872	143
Loan	22,827	–
Bank overdraft	–	32,474
Accruals	1,191	1,190
Payables	–	747
	25,890	**34,554**

Note: Amortised cost is the same as the carrying value shown above.

19.7 Disclosures regarding financial instruments measured at fair value

The Company's portfolio of investments, which may comprise investments in quoted equities and unquoted holdings, are carried in the Statement of Financial Position at fair value. Other financial instruments held by the Company may comprise amounts due to or from brokers, dividends and interest receivable, accruals, cash at bank and drawings on the secured credit facility.

For these instruments, the Statement of Financial Position amount is a reasonable approximation of fair value.

The investments 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 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 of input that is significant to the fair value measurement of the relevant asset.

Details of the valuation techniques used by the Company are given in the accounting policies noted on page 67.

(i) Financial assets at fair value through profit or loss

	At 31 August 2024			
	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
Equity investments	297,507	270,883	–	26,624
	297,507	**270,883**	**–**	**26,624**

	At 31 August 2023			
	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000
Equity investments	301,904	276,642	–	25,262
	301,904	**276,642**	**–**	**25,262**

There were no transfers between levels 1, 2 or 3 during the period (2023: Same). A reconciliation of fair value measurements in Level 3 is set out below.

(ii) Level 3 investments at fair value through profit or loss

	At 31 August 2024 £'000	At 31 August 2023 £'000
Opening valuation	**25,262**	**27,958**
Capital contributions	2,995	–
Distributions	(7,098)	(4,665)
Total gains included in the Statement of Comprehensive Income		
– on assets realised	(843)	2,693
– on assets held at the year end	6,308	(724)
Closing valuation	**26,624**	**25,262**

(iii) Level 3 investments at fair value through profit and loss – price risk sensitivity

Investments are reported at their fair values. A full list of the Company's investments is given on pages 22 to 24. As at 31 August 2024, 95.97% of the Company's net assets (including cash and net liabilities) are invested in level 1 investments and 9.43% of Company's net assets are invested in level 3.

The fair value of level 3 investments is influenced by the estimates, assumptions and judgements made in the valuation process. A sensitivity analysis is provided below which recognises that the valuation methodologies used involve different levels of subjectivity in their inputs in respect of unquoted investments (excluding investments in SV unquoted funds). The SV unquoted funds do not have significant unobservable inputs used in the determination of their fair value, as described in note 1(g). No key estimates or assumptions have been applied to the valuation of SV Fund VI and SV BCOF between the date of the last quarterly report received and 31 August 2024.

Year ended 31 August 2024*			Effect of reasonably possible alternative assumptions	
Valuation techniques**	Fair value £'000	Significant unobservable inputs**	Favourable impacts £'000	Unfavourable impacts £'000
Discounted future cash flows	4,382***	Probability estimate of royalty income	438	(438)
		Discount rate	157	(148)
Present value of future milestone	309	Probability estimate of milestone achievement	31	(31)
payments		Discount rate	4	(4)
Calibration price of recent investment	341	Calibration price of recent investment	34	(34)
	5,032		**664**	**(655)**
Net asset value	40	No significant judgements applied	–	–
	5,072		**664**	**(655)**

*Investments in the table above have been valued by the adviser for the unquoted portfolio.

**Excludes investments in SV unquoted funds.

***Ikano Therapeutics.

19. Financial instruments continued

Risk management policies and procedures continued

19.7 Disclosures regarding financial instruments measured at fair value continued

(iii) Level 3 investments at fair value through profit and loss – price risk sensitivity continued

Year ended 31 August 2023	Effect of reasonably possible alternative assumptions			
Valuation techniques*	Fair value £'000	Significant unobservable inputs*	Favourable impacts £'000	Unfavourable impacts £'000
Discounted future cash flows	4,635**	Probability estimate of royalty income	471	(471)
		Discount rate	203	(191)
Present value of future milestone	892	Probability estimate of milestone achievement	32	(29)
payments		Discount rate	1	(1)
Calibration price of recent investment	341	Calibration price of recent investment	34	(34)
	5,868		**741**	**(726)**
Net asset value	90	No significant judgements applied	–	–
	5,958		**741**	**(726)**

*Excludes investments in SV unquoted funds.
**Ikano Therapeutics.

**Significant unobservable inputs*

The significant unobservable inputs applicable to each type of valuation technique will vary dependent on the particular circumstances of each unquoted company valuation. An explanation of each of the significant unobservable inputs is provided below and includes an indication of the range in value for each input, where relevant. The assumptions made in the production of the inputs are described in note 1(g) on page 67.

Probability estimate of royalty income

The probability estimate of royalty income is a key variable input in the discounted future cash flow valuation technique used by the adviser and further probability adjusted at 80% (2023: 85%) of the calculated net present value. It represents the potential commercial uptake risk, competitor risk and uncertainty around drug pricing. To factor in the uncertainty surrounding the probability estimate of royalty income, the input has been stressed by a factor of +/- 10%. Management is comfortable with the adviser's assessment that the largest differential in the flux of the valuations would be 10%.

Probability estimate of milestone achievement

The probability estimate of milestone achievement is a key variable input in the present value of future milestone payments valuation technique used by the adviser and represents the potential risk that commercial milestones are not achieved/not achieved in accordance with the estimated timeline. To factor in the uncertainty surrounding the probability estimate of milestone achievement, the input has been stressed by a factor of +/– 10%. Management is comfortable with the adviser's assessment that the largest differential in the flux of the valuations would be 10%.

Discount rate

The application of a risk adjusted discount rate (13.5% for Ikano Therapeutics (2023: 12.5%)) has been applied by the adviser to discounted future cash flow and present value of future milestone payments valuation techniques. The discount rate takes into account the macro market risk and the liquidity premium. To factor in the uncertainty surrounding the discount rate, the input has been stressed by +/- 2%. Management is comfortable with the adviser's assessment that the largest differential in the flux of the valuations would be 2%.

Calibration price of recent investment

The fair values of the underlying investments are based on the calibration price but remain unadjusted from the recent price of the investment. To factor in the uncertainty surrounding the selection of calibration price, the fair value of the investment at the reporting date has been stressed by +/– 10%.

19.8 Capital management policies and procedures

The Company's objectives, policies and processes for managing capital are unchanged from the preceding year.

The Company's debt and capital structure comprises the following:

	At 31 August 2024 £'000	At 31 August 2023 £'000
Debt		
Loan	22,827	–
Bank overdraft	–	32,474
Total debt	**22,827**	**32,474**
Equity		
Share capital	10,346	10,346
Reserves	271,919	259,971
Total equity	**282,265**	**270,317**
Total debt and equity	**305,092**	**302,791**

The Company's capital management objectives are to ensure that it will continue as a going concern and to maximise total return to its equity Shareholders through an appropriate level of gearing.

The Board's policy is to limit gearing to 30%. Gearing for this purpose is defined as borrowings used for investment purposes, less cash, expressed as a percentage of net assets.

	At 31 August 2024 £'000	At 31 August 2023 £'000
Borrowings used for investment purposes, including cash	12,394	32,474
Net assets	282,265	270,317
Gearing	4.4%	12.0%

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

(i) the planned level of gearing, which takes into account the Manager's view of the market;

(ii) the need to buyback the Company's own shares for cancellation or to hold in treasury, which takes into account the share price discount;

(iii) the opportunities for issue of new shares or to reissue shares from treasury; and

(iv) the amount of dividend to be paid, in excess of that which is required to be distributed.

20. Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

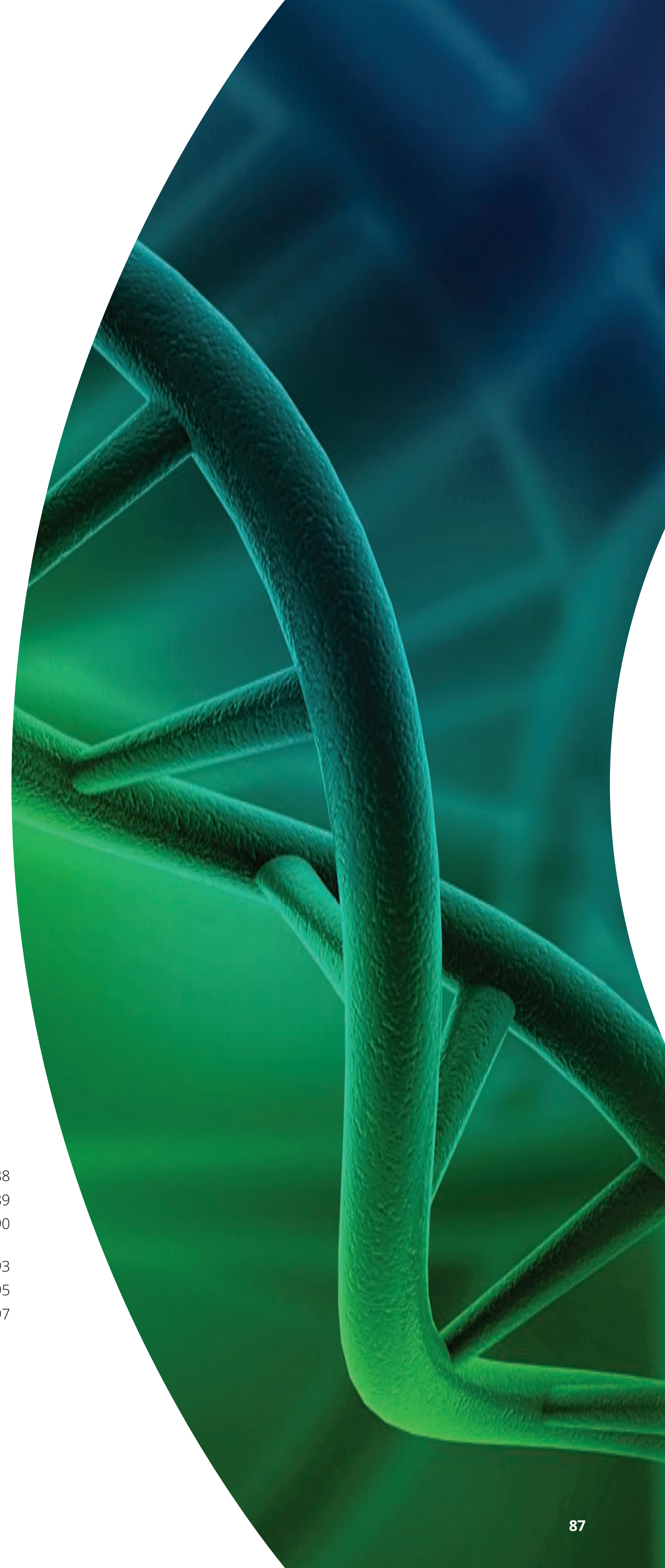
The Board is of the opinion that the Company is engaged in a single segment of business, namely the investment in biotechnology and other life sciences companies in accordance with the Company's investment objective, and consequently no segmental analysis is provided.

21 Post statement of financial position events

After the year end and up to 1 November 2024, 386,604 ordinary shares were bought back to be held in treasury. Following the buy backs, the total number of shares in issue was 41,383,817 of which 4,935,511 were held in treasury.

No other significant events occurred after the end of the reporting period to the date of this Report requiring disclosure.

Other Information (Unaudited)



Other Information (Unaudited)

The Annual General Meeting ("AGM") of the Company will be held on Monday, 9 December 2024 at 12.00 noon. The formal Notice of Meeting is set out on page 89.

The following information is important and requires your immediate attention. If you are in any doubt about the action you should take, you should consult an independent financial adviser, authorised under the Financial Services and Markets Act 2000. If you have sold or transferred all of your ordinary shares in the Company, please forward this document with its accompanying form of proxy at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Ordinary business

Resolutions 1 to 12 are all ordinary resolutions. Resolution 1 is a required resolution. Resolution 2 invites shareholders to approve the Company's dividend policy. Resolution 3 concerns the Directors' Remuneration Report, on pages 50 to 53 and Resolution 4 is a binding vote to approve the amended Directors' Remuneration Policy as set out on page 50.

Resolutions 5 to 9 invite shareholders to re-elect each of the Directors for another year, following the recommendations of the Nomination Committee, set out on pages 48 and 49 (the Directors' biographies are set out on pages 38 and 39). Resolutions 10 and 11 concern the re-appointment and remuneration of the Company's auditors, discussed in the Audit Committee Report on pages 43 to 46.

Special business

Resolution 12 – Directors' authority to allot shares (ordinary resolution) and resolution 13 – power to disapply pre-emption rights (special resolution)

The Directors are seeking authority to allot a limited number of unissued ordinary shares for cash without first offering them to existing shareholders in accordance with statutory pre-emption procedures.

Appropriate resolutions will be proposed at the forthcoming AGM and are set out in full in the Notice of AGM. An ordinary resolution will be proposed to authorise the Directors to allot shares up to a maximum aggregate nominal amount of £911,207 (being 10% of the issued share capital (excluding any shares held in treasury) as at 1 November 2024).

A special resolution will be proposed to authorise the Directors to allot shares up to a maximum aggregate nominal amount of £911,207 (being 10% of the issued share capital as at 1 November 2024) on a non pre-emptive basis. This authority includes shares that the Company sells or transfers that have been held in treasury. The Directors do not intend to allot ordinary shares or sell treasury shares, on a non-pre-emptive basis, pursuant to this authority other than to take advantage of opportunities in the market as they arise and only if they believe it to be advantageous to the Company as a whole. Shares issued or treasury shares reissued, under this authority, will be at a price that is equal to or greater than the Company's NAV per share, plus any applicable costs, as at the latest practicable date before the allotment of such shares.

If approved, both of these authorities will expire at the conclusion of the AGM in 2025 unless renewed, varied or revoked earlier.

Resolution 14 – authority to make market purchases of the Company's own shares (special resolution)

At the AGM held on 12 December 2023, the Company was granted authority to make market purchases of up to 5,851,887 ordinary shares of 25p each for cancellation or holding in treasury. 2,435,301 shares have been bought back under this authority and the Company therefore has remaining authority to purchase up to 3,416,586 ordinary shares. This authority will expire at the forthcoming AGM.

The Directors believe it is in the best interests of the Company and its shareholders to have a general authority for the Company to buy back its ordinary shares in the market as they keep under review the share price discount to NAV. A special resolution will be proposed at the forthcoming AGM to give the Company authority to make market purchases of up to 14.99% of the ordinary shares in issue as at 1 November 2024 (excluding treasury shares). The Directors will exercise this authority to buy back shares only when the share price is at a discount to the Company's NAV and only if the Directors consider that any purchase would be for the benefit of the Company and its shareholders, taking into account relevant factors and circumstances at the time. Any shares so purchased would be cancelled or held in treasury for potential reissue.

If renewed, this authority will lapse at the conclusion of the AGM in 2025 unless renewed, varied or revoked earlier.

Resolution 15 – amendments to the Articles of Association (special resolution)

Resolution 15, which will be proposed as a special resolution, seeks shareholder approval to adopt new Articles of Association (the "New Articles") in order to update the Company's current Articles of Association (the "Existing Articles"). The changes introduced in the New Articles are primarily to reflect developments in market practice and changes in law and regulation, for instance enabling the Company to hold hybrid general meetings (including annual general meetings) in the future, and in response to the introduction of international tax regimes requiring the exchange of information.

The principal changes introduced in the New Articles are summarised in the appendix to the AGM Notice (page 92 of this document). Other changes, which are of a minor, technical or clarificatory nature, have not been summarised in the appendix. The New Articles, together with a marked up version of the New Articles showing all of the changes, are available for inspection on the Company's web pages at www.ibtplc.com and on the National Storage Mechanism, from the date of this document until close of the AGM, and will also be available for inspection at the venue of the Company's AGM from 15 minutes before and during the AGM.

While the New Articles will allow for general meetings to be held and conducted in such a way that persons who are not present together at the same physical location may attend, speak and vote at the meeting by electronic means, the Directors have no present intention of holding hybrid meetings. These provisions will only be used where the Directors consider it is in the best interests of shareholders for a hybrid meeting to be held. Nothing in the New Articles will prevent the Company from continuing to hold wholly physical general meetings.

Resolution 16 – notice period for general meetings (special resolution)

Resolution 16 set out in the Notice of AGM is a special resolution and will, if passed, allow the Company to hold general meetings (other than annual general meetings) on a minimum notice period of 14 clear days, rather than 21 clear days as required by the Companies Act 2006. The approval will be effective until the Company's next AGM to be held in 2025. The Directors will only call general meetings on 14 clear days notice when they consider it to be in the best interests of the Company's shareholders and will only do so if the Company offers facilities for all shareholders to vote by electronic means and when the matter needs to be dealt with expediently.

Recommendations

The Board considers that the resolutions relating to the above items of business are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends to shareholders that they vote in favour of the resolutions to be proposed at the forthcoming AGM, as they intend to do in respect of their own beneficial holdings.

Notice is hereby given that the Annual General Meeting of International Biotechnology Trust plc will be held on 9 December 2024 at 12.00 noon at 1 London Wall Place, London, EC2Y 5AU, to consider and, if thought fit, to pass the following resolutions:

Ordinary business

To consider, and if thought fit, to pass the following resolutions 1 to 12 as ordinary resolutions of the Company:

Ordinary resolutions

1. To receive the Directors' Report and the audited Financial Statements for the year ended 31 August 2024.
2. To approve the Company's dividend policy of making dividend payments, equivalent to 4% of the Company's NAV as at the last day of the Company's preceding financial year, through two equal semi-annual distributions.
3. To approve the Directors' Remuneration Report for the year ended 31 August 2024.
4. To approve the Directors' Remuneration Policy.
5. To re-elect Gillian Elcock as a Director of the Company.
6. To re-elect Kate Cornish-Bowden as a Director of the Company.
7. To re-elect Caroline Gulliver as a Director of the Company.
8. To re-elect Patrick Magee as a Director of the Company.
9. To re-elect Patrick Maxwell as a Director of the Company.
10. To re-appoint PricewaterhouseCoopers LLP as auditors to the Company to hold office until the conclusion of the next Annual General Meeting.
11. To authorise the Directors to determine the remuneration of the auditors.

Special business

To consider and, if thought fit, to pass the following resolutions of which resolution 12 will be proposed as an ordinary resolution and resolutions 13, 14, 15 and 16 will be proposed as special resolutions:

12. THAT, in substitution for all existing authorities, the Directors be generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the "Act"), to exercise all the powers of the Company to allot relevant securities (within the meaning of Section 551 of the Act) up to an aggregate nominal amount of £911,207 (being 10% of the issued ordinary share capital at 1 November 2024) for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the Annual General Meeting of the Company in 2025, but that the Company may make an offer or agreement which would or might require relevant securities to be allotted after expiry of this authority and the Board may allot relevant securities in pursuance of that offer or agreement.

Special resolutions

13. THAT, subject to the passing of resolution 12, as previously set out, the Directors be and are hereby empowered, pursuant to Section 571 of the Companies Act 2006 (the "Act"), to allot equity securities (including any shares held in treasury) (as defined in Section 560 (1) of the Act) pursuant to the authority given in accordance with Section 551 of the Act by the said resolution 12 and/or where such allotment constitutes an allotment of equity securities by virtue of Section 560 (2) of the Act as if Section 561 (1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £911,207 (representing 10% of the aggregate nominal amount of the share capital in issue at 1 November 2024); and where equity securities are issued pursuant to this power they will only be issued at a price which is equal or greater than the Company's NAV per share as at the latest practicable date before the allotment; and provided that this power shall expire at the conclusion of the next Annual General Meeting of the Company but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be allotted after such expiry.
14. THAT, the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of Section 693 of the Act) of ordinary shares of 25p each in the capital of the Company ("Share") at whatever discount the prevailing market price represents to the prevailing net asset value per Share provided that:
    (a) the maximum number of Shares which may be purchased is 5,463,602, representing 14.99% of the Company's issued ordinary share capital as at 1 November 2024 (excluding treasury shares);
    (b) the maximum price (exclusive of expenses) which may be paid for a Share shall not exceed the higher of;
        i) 105% of the average of the middle market quotations for the Shares as taken from the London Stock Exchange Daily Official List for the five business days preceding the date of purchase; and
        ii) the higher of the last independent bid and the highest current independent bid on the London Stock Exchange;
    (c) the minimum price (exclusive of expenses) which may be paid for a Share shall be 25p, being the nominal value per Share;
    (d) this authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company in 2025 (unless previously renewed, varied or revoked by the Company prior to such date);
    (e) the Company may make a contract to purchase Shares under the authority hereby conferred which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract; and
    (f) any Shares so purchased will be cancelled or held in treasury.
15. THAT, with effect from the end of the Annual General Meeting, the Articles of Association, in the form produced to the meeting, and initialled by the Chair for the purposes of identification, be adopted as the Articles of Association of the Company in substitution for, and to the exclusion of, the existing Articles of Association of the Company.
16. THAT, a general meeting (other than an annual general meeting) may be called on not less than 14 clear days notice.

By order of the Board

Schroder Investment Management Limited
Company Secretary

4 November 2024

Registered Office:

1 London Wall Place,
London EC2Y 5AU

Registered Number: 02892872

1. Ordinary shareholders are entitled to attend, ask questions and vote at the meeting and to appoint one or more proxies, who need not be a shareholder, as their proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the meeting.

   A proxy form is attached. If you wish to appoint a person other than the Chair as your proxy, please insert the name of your chosen proxy holder in the space provided at the top of the form. If the proxy is being appointed in relation to less than your full voting entitlement, please enter in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. If left blank your proxy will be deemed to be authorised in respect of your full voting entitlement (or if this proxy form has been issued in respect of a designated account for a shareholder, the full voting entitlement for that designated account). Additional proxy forms can be obtained by contacting the Company's Registrars, Equiniti Limited, on 0371-384-2624. If calling from outside the UK, please ensure the country code is used, or you may photocopy the attached proxy form. Please indicate in the box next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy. Please also indicate by ticking the box provided if the proxy instruction is one of multiple instructions being given. Completion and return of a form of proxy will not preclude a member from attending the Annual General Meeting and voting in person.

   On a vote by show of hands, every ordinary shareholder who is present in person has one vote and every duly appointed proxy who is present has one vote. On a poll vote, every ordinary shareholder who is present in person or by way of a proxy has one vote for every share of which he/she is a holder. Voting will be by poll.

   The "Vote Withheld" option on the proxy form is provided to enable you to abstain on any particular resolution. However it should be noted that a "Vote Withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes 'For' and 'Against' a resolution.

   A proxy form must be signed and dated by the shareholder or his or her attorney duly authorised in writing. In the case of joint holdings, any one holder may sign this form. The vote of the senior joint holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder and for this purpose seniority will be determined by the order in which the names appear on the Register of Members in respect of the joint holding. To be valid, proxy form(s) must be completed and returned to the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, in the enclosed envelope together with any power of attorney or other authority under which it is signed or a copy of such authority certified notarially, to arrive no later than 48 hours before the time fixed for the meeting, or an adjourned meeting. Shareholders may also appoint a proxy to vote on the resolutions being put to the meeting electronically at www.sharevote.co.uk. Shareholders who are not registered to vote electronically, will need to enter the Voting ID, Task ID and Shareholder Reference ID set out in their personalised proxy form.

   Alternatively, shareholders who have already registered with Equiniti's Shareview service can appoint a proxy by logging onto their portfolio at www.shareview.co.uk using their user ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on-screen instructions. The on-screen instructions give details on how to complete the appointment process. Please note that to be valid, your proxy instructions must be received by Equiniti no later than 12.00 noon on 5 December 2024. If you have any difficulties with online voting, you should contact the shareholder helpline on 0371-384-2624. If calling from outside the UK, please ensure the country code is used.

   If an ordinary shareholder submits more than one valid proxy appointment, the appointment received last before the latest time for receipt of proxies will take precedence.

   Shareholders may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents to communicate with the Company for any purposes other than expressly stated.

   Representatives of shareholders that are corporations will have to produce evidence of their proper appointment when attending the Annual General Meeting.

2. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him or her and the shareholder by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

   The statement of the rights of ordinary shareholders in relation to the appointment of proxies in note 1 above does not apply to Nominated Persons. The rights described in that note can only be exercised by ordinary shareholders of the Company.

3. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company has specified that only those shareholders registered in the Register of members of the Company at 6.30 p.m. on 5 December 2024, or 6.30 p.m. two days prior to the date of an adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the Register of Members after 6.30 p.m. on 5 December 2024 shall be disregarded in determining the right of any person to attend and vote at the meeting.

4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST manual. The CREST manual can be viewed at www.euroclear.com. A CREST message appointing a proxy (a "CREST proxy instruction") regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction previously given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by the latest time for receipt of proxy appointments. If you are an institutional

investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.00 noon on 5 December 2024 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them, and they will govern the electronic appointment of your proxy.

5. Copies of the terms of appointment of the non-executive Directors and a statement of all transactions of each Director and of their family interests in the shares of the Company, will be available for inspection by any member of the Company at the registered office of the Company during normal business hours on any weekday (English public holidays excepted) and at the Annual General Meeting by any attendee, for at least 15 minutes prior to, and during, the Annual General Meeting. None of the Directors has a contract of service with the Company.

6. The biographies of the Directors offering themselves for re-election are set out on pages 38 and 39 of the Company's Annual Report and Financial Statements for the year ended 31 August 2024.

7. As at 1 November 2024, 41,383,817 ordinary shares of 25 pence each were in issue (of which 4,935,511 ordinary shares were held in treasury). Therefore the total number of voting rights of the Company as at 1 November 2024 was 36,448,306.

8. A copy of this Notice of meeting, which includes details of shareholder voting rights, together with any other information as required under Section 311A of the Companies Act 2006, is available on the Company's web pages, www.ibtplc.com.

9. Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the Annual General Meeting any question relating to the business being dealt with at the Annual General Meeting which is put by a member attending the meeting, except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered or if to do so would involve the disclosure of confidential information.

10. Members satisfying the thresholds in section 527 of the Companies Act 2006 can require the Company to publish a statement on its web pages setting out any matter relating to:

    (a) the audit of the Company's financial statements (including the auditors' report and the conduct of the audit) that are to be laid before the Meeting; or

    (b) any circumstance connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting, that the members propose to raise at the Meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the web pages must also be sent to the Company's auditors no later than the time it makes its statement available on the web pages. The business which may be dealt with at the meeting includes any statement that the Company has been required to publish on its web pages.

11. The Company's privacy policy is available on its web pages: www.ibtplc.com. Shareholders can contact Equiniti for details of how Equiniti processes their personal information as part of the Annual General Meeting.

Under special resolution 15, the Company is proposing to adopt new Articles of Association (the "New Articles") to replace its current Articles of Association (the "Existing Articles"). Set out below is a summary of the principal changes.

Set out below is a summary of the principal changes. Other changes, which are of a minor, technical or clarificatory nature, have not been summarised below. The New Articles, together with a marked up version of the New Articles showing all of the changes, are available for inspection on the Company's web pages at www.ibtplc.com and on the National Storage Mechanism, from the date of this document until close of the AGM, and will also be available for inspection at the venue of the Company's AGM from 15 minutes before and during the AGM.

General meetings

The New Articles provide that the Company may hold general meetings (including annual general meetings) in such a way that enables members to attend and participate in the business of the meeting by attending a physical location or by attending electronically. The New Articles do not permit the Company to hold 'electronic only' meetings, being a meeting which is held entirely by means of an electronic facility or facilities. It should be noted that, while the New Articles will provide the Board with the flexibility to hold a 'hybrid' general meeting, should the need arise, it is not the current intention of the Board to replace wholly physical general meetings with hybrid general meetings.

The Board believes that introducing these provisions provides flexibility to the Company to navigate potential restrictions in holding in-person meetings in the future. Nothing in the New Articles will prevent the Company from holding wholly physical general meetings.

Certain consequential changes to facilitate this amendment have been made to the New Articles, including requiring that all resolutions put to the shareholders at any hybrid general meeting shall be voted on by a poll, in compliance with best practice.

Director provisions

The Company's current Articles of Association provide that Directors are appointed for an initial term covering the period from the date of their appointment until the next AGM and are thereafter required to retire by rotation at least every three years. However, in recognition of corporate governance best practice, all Directors stand for re-election annually. Under the new Articles of Association proposed to be adopted at the forthcoming AGM, Directors will be required to stand for re-election annually reflecting corporate governance best practice and the Company's current policy.

The Company's current Articles of Association limit the aggregate fees payable to Directors to £250,000 per annum. The Board believes that to enable flexibility in respect of succession planning, and in particular to recruit new Directors from time to time, that it is prudent to keep remuneration at or around market levels, providing for modest fee increases in the future and also for a higher level of aggregate fees during years where new Directors are appointed as part of the Board's succession planning. Consequently, the proposed new Articles of Association include an increase in the limit on the aggregate level of Directors' fees to £300,000 per annum. It is not the Board's intention that fees will be raised to the new limit immediately upon approval.

Directors' fees are reviewed annually and take into account research from third parties on the fee levels of Directors of peer group companies, as well as industry norms and factors affecting the time commitment expected of the Directors. New Directors are subject to the provisions set out in this remuneration policy.

Information rights and forced transfers

The New Articles permit the Company to request information from shareholders to satisfy due diligence and reporting requirements under US Foreign Account Tax Compliance Act ("US FATCA") or similar laws and thereby avoid any adverse tax consequences which would otherwise arise under US FATCA or similar laws. In addition, the Company is seeking an amendment to the Articles to permit the Company to require the transfer of shares where the shareholder in question fails to comply with such request or may cause the Company issues under US FATCA, similar laws or other legislation.

Other updates

In addition, a number of other minor amendments and updates have been made to the New Articles to generally modernise existing provisions, including but not limited to those concerned with Directors' electronic participation in board minutes and managing general meetings.

Approval of Shareholders to the adoption of the New Articles is being sought at the AGM by way of resolution 15, which is a special resolution.

Definitions of Terms and Alternative Performance Measures

The terms and performance measures below are those commonly used by investment companies to assess values, investment performance and operating costs. Numerical calculations are given where relevant. Some of the financial measures below are classified as APMs as defined by the European Securities and Markets Authority. Under this definition, APMs include a financial measure of historical financial performance or financial position, other than a financial measure defined or specified in the applicable financial reporting framework. APMs have been marked with an asterisk.

Net asset value ("NAV") per share*

The NAV per share of 766.30p (2023: 687.51p) represents the net assets attributable to equity shareholders of £282,265,000 (2023: £270,317,000) divided by the number of shares in issue of 36,834,910 (2023: 39,318,183) excluding shares held in treasury.

The change in the NAV per share, amounted to 11.5% (2023: –1.4%) over the year. However, this performance measure excludes the positive impact of dividends paid out by the Company during the year.

When these dividends are factored into the calculation, the resulting performance measure is termed the "total return". Total return calculations and definitions are given below.

Total return*

Total return is the combined effect of any dividends paid, together with the rise or fall in the share price or NAV per share. Total return statistics enable the investor to make performance comparisons between investment companies with different dividend policies. Any dividends received by a shareholder are assumed to have been reinvested in either the assets of the Company at its NAV per share at the time the shares were quoted ex-dividend (to calculate the NAV per share total return) or in additional shares of the Company at the time the shares were quoted ex dividend (to calculate the share price total return).

The NAV total return for the year ended 31 August 2024 is calculated as follows:

Opening NAV at 31/08/2023	687.51p
Closing NAV at 30/08/2024	766.30p

Dividend	XD date	NAV on XD date	Factor	Cumulative Factor
13.90p	21/12/2023	670.18p	1.0207	1.0207
14.50p	25/07/2024	787.02p	1.0184	1.0395
NAV total return, being the closing NAV, multiplied by the factor, expressed as a percentage change in the opening NAV:				15.9%

The NAV total return for the year ended 31 August 2023 is calculated as follows:

Opening NAV at 31/08/2022	697.20p
Closing NAV at 31/08/2023	687.51p

Dividend	XD date	NAV on XD date	Factor	Cumulative factor
14.00p	30/12/2022	718.05p	1.0195	1.0195
14.20p	28/07/2023	692.04p	1.0205	1.0404
NAV total return, being the closing NAV, multiplied by the factor, expressed as a percentage change in the opening NAV:				2.7%

The share price total return for the year ended 31 August 2024 is calculated as follows:

Opening share price at 31/08/2023	644.00p
Closing share price at 31/08/2024	680.00p

Dividend	XD date	Share price on XD date	Factor	Cumulative factor
13.90p	21/12/2023	604.00p	1.0230	1.0230
14.50p	25/07/2024	700.00p	1.0207	1.0442
Share price total return, being the closing share price, multiplied by the factor, expressed as a percentage change in the opening share price:				10.3%

Share price total return for the year ended 31 August 2023 is calculated as follows:

Opening share price at 31/08/2022	651.50p
Closing share price at 31/12/2023	644.00p

Dividend	XD date	Share price on XD date	Factor	Cumulative factor
14.00p	30/12/2022	706.00p	1.0198	1.0198
14.20p	28/07/2023	646.00p	1.0220	1.0422
Share price total return, being the closing share price, multiplied by the factor, expressed as a percentage change in the opening share price:				3.0%

Reference Index

The measure against which the Company compares its performance. The Reference Index is the NASDAQ Biotechnology Index (with dividends reinvested) sterling adjusted.

Discount/premium*

The amount by which the share price of an investment trust is lower (discount) or higher (premium) than the NAV per share. If the shares are trading at a discount, investors would be paying less than the value attributable to the shares by reference to the underlying assets. A premium or discount is generally the consequence of supply and demand for the shares on the stock market. The discount or premium is expressed as a percentage of the NAV per share.

The discount at the year end amounted to 11.3% (2023: 6.3%), as the closing share price at 680.00p (2023: 644.00p) was lower than the closing NAV of 766.30p (2023: 687.51p).

Gearing*

The gearing percentage reflects the amount of borrowings (i.e. bank loans or overdrafts) which the Company has drawn down and invested in the market. This figure is indicative of the extra amount by which shareholders' funds would move if the Company's investments were to rise or fall. Gearing is defined as: borrowings used for investment purposes, less cash, expressed as a percentage of net assets. The gearing figure at the relevant year end is calculated as follows:

	2024 £'000	2023 £'000
Borrowings used for investment purposes, less cash	**12,394**	32,474
Net assets	**282,265**	270,317
Gearing (%)	**4.4%**	12.0%

Ongoing charges*

Ongoing Charges is calculated in accordance with the AIC's recommended methodology and represents the management fee and all other operating expenses excluding finance costs, transaction costs and performance fees amounting to £3,117,000 (2023: £4,160,000), expressed as a percentage of the average daily net asset values during the year of 268,100,000 (2023: 289,500,000).

Management fees waived during the year, amounted to £856,296 which offsets the £873,000 costs related to the transition to SUTL.

	2024 £'000	2023 £'000
Management fees paid by the Company	**1,297**	1,810
Management/adviser fee paid through unquoted funds to SV Health	**691**	791
Administrative expenses	**1,129**	1,559
Total ongoing expenses	**3,117**	4,160
Average daily NAV	**268,128**	289,512
Ongoing charges (%)	**1.2**	1.4

Yield*

Yield is calculated as the sum of the last two dividends declared, expressed as a percentage of the year end share price.

The last two dividends declared amounted to 28.4p (2023: 28.2p) per share.

Leverage

For the purpose of the Alternative Investment Fund Managers Directive ("AIFMD"), leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as the ratio of the Company's exposure to its net asset value and is required to be calculated both on a "Gross" and a "Commitment" method. Under the Gross method, exposure represents the sum of the absolute values of all positions, so as to give an indication of overall exposure. Under the Commitment method, exposure is calculated in a similar way, but after netting off hedges which satisfy certain strict criteria.

The Company's leverage policy and details of its leverage ratio calculation and exposure limits as required by the AIFMD are published on the Company's web pages and within this report. The Company is also required to periodically publish its actual leverage exposures. As at 31 December 2023 these were:

	% of net asset value	
Leverage exposure	**Maximum ratio**	**Actual ratio**
Gross method	160.0%	105.0%
Commitment method	160.0%	95.6%

Web pages and share price information

The Company has dedicated web pages, which may be found at www.ibtplc.com. The web pages have been designed to be used as the Company's primary method of electronic communication with shareholders. They contain details of the Company's share price and copies of Annual Reports and other documents published by the Company as well as information on the Directors, terms of reference of committees and other governance arrangements. In addition, the web pages contain links to announcements made by the Company to the market, Equiniti's shareview service and Schroders' website.

The Company releases its NAV per share on both a cum and ex-income basis, diluted where applicable, to the market on a daily basis.

Share price information may also be found in the Financial Times and on the Company's web pages.

Association of Investment Companies

The Company is a member of the Association of Investment Companies. Further information on the Association can be found on its website, www.theaic.co.uk.

Individual Savings Account ("ISA") status

The Company's shares are eligible for stocks and shares ISAs.

Non-Mainstream Pooled Investments status

The Company currently conducts its affairs so that its shares can be recommended by IFAs to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The Company's shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Financial calendar

Annual results announced	November
Annual General Meeting	December
First interim dividend paid	January
Half Year results announced	April
Second interim dividend paid	August
Financial year end	31 August

Alternative Investment Fund Managers Directive ("AIFMD") disclosures

The AIFMD UK regulation, transposed AIFMD into the FCA Handbook in the UK and requires that certain pre-investment information be made available to investors in Alternative Investment Funds (such as the Company) and also that certain regular and periodic disclosures are made. This information and these disclosures may be found either below, elsewhere in this Annual Report, or in the Company's AIFMD information disclosure document published on the Company's web pages.

Illiquid assets

As at the date of this report, none of the Company's assets are subject to special arrangements arising from their illiquid nature.

Remuneration disclosures

Quantitative remuneration disclosures to be made in this Annual Report in accordance with FCA Handbook rule FUND3.3.5 may also be found in the Company's AIFMD information disclosure document published on the Company's web pages.

Publication of Key Information Document ("KID") by the AIFM

Pursuant to the Packaged Retail and Insurance-based Products Regulation, the Manager, as the Company's AIFM, is required to publish a short KID on the Company. KIDs are designed to provide certain prescribed information to retail investors, including details of potential returns under different performance scenarios and a risk/reward indicator. The Company's KID is available on its web pages.

How to invest

There are a number of ways to easily invest in the Company. The Manager has set these out at www.schroders.com/invest-in-a-trust/.

Complaints

The Company has adopted a policy on complaints and other shareholder communications which ensures that shareholder complaints and communications addressed to the Company Secretary, the Chair or the Board are, in each case, considered by the Chair and the Board.

Warning to shareholders

Companies are aware that their shareholders have received unsolicited telephone calls or correspondence concerning investment matters. These are typically from overseas-based 'brokers' who target UK shareholders, offering to sell them what often turn out to be worthless or high risk shares or investments.

These operations are commonly known as 'boiler rooms'. These 'brokers' can be very persistent and extremely persuasive.

Shareholders are advised to be wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports. If you receive any unsolicited investment advice:

- Make sure you get the correct name of the person and organisation
- Check that they are properly authorised by the FCA before getting involved by visiting https://register.fca.org.uk.
- Report the matter to the FCA by calling 0800 111 6768 or visiting www.fca.org.uk/consumers/report-scam-unauthorised- firm.
- Do not deal with any firm that you are unsure about.

If you deal with an unauthorised firm, you will not be eligible to receive payment under the Financial Services Compensation Scheme.

The FCA provides a list of unauthorised firms of which it is aware, which can be accessed at https://www.fca.org.uk/consumers/unauthorised-firms-individuals#list.

More detailed information on this or similar activity can be found on the FCA website at https://www.fca.org.uk/consumers/protect-yourself-scams.

Dividends

Paying dividends into a bank or building society account helps reduce the risk of fraud and will provide you with quicker access to your funds than payment by cheque.

Applications for an electronic mandate can be made by contacting the Registrar, Equiniti.

This is the most secure and efficient method of payment and ensures that you receive any dividends promptly.

If you do not have a UK bank or building society account, please contact Equiniti for details of their overseas payment service.

Further information can be found at www.shareview.co.uk, including how to register with Shareview Portfolio and manage your shareholding online.

Information about the Company

www.ibtplc.com

Directors
Kate Cornish-Bowden (Chair)
Gillian Elcock
Caroline Gulliver
Patrick Magee
Professor Patrick Maxwell

Registered office
1 London Wall Place
London EC2Y 5AU
Tel: 020 7658 6000

Advisers and service providers

Alternative Investment Fund Manager (the "Manager" or "AIFM")
Schroder Unit Trusts Limited
1 London Wall Place
London EC2Y 5AU

Investment Manager and Company Secretary
Schroder Investment Management Limited
1 London Wall Place
London EC2Y 5AU
Telephone: +44 (0)20 7658 6000
Email: amcompanysecretary@schroders.com

Advisers for the unquoted portfolio
SV Health Managers LLP
71 Kingsway
London WC2B 6ST

Depositary and custodian
HSBC Bank plc
8 Canada Square
London E14 5HQ

Lending bank
The Bank of Nova Scotia, London Branch
201 Bishopsgate
6th Floor
London EC2M 3NS

Corporate broker
Deutsche Numis
45 Gresham Street
London EC2V 7BF

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London WC2N 6RH

Registrar
Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Shareholder helpline: 0371-384-2624[1]
Website: www.shareview.co.uk

[1]Calls to this number are free of charge from UK landlines.

Communications with shareholders are mailed to the address held on the register. Any notifications and enquiries relating to shareholdings, including a change of address or other amendment should be directed to Equiniti Limited at the above address and telephone number above.

Other information

Company number
02892872

Shareholder enquiries
General enquiries about the Company should be addressed to the Company Secretary at the Company's registered office.

Dealing codes
ISIN:	GB0004559349
SEDOL:	0455934
Ticker:	IBT0455934

Global Intermediary Identification Number (GIIN)
3AAT29.99999.SL.826

Legal Entity Identifier (LEI)
213800N1QUJ744P76D11

Privacy notice
The Company's privacy notice can be found on its web pages.

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