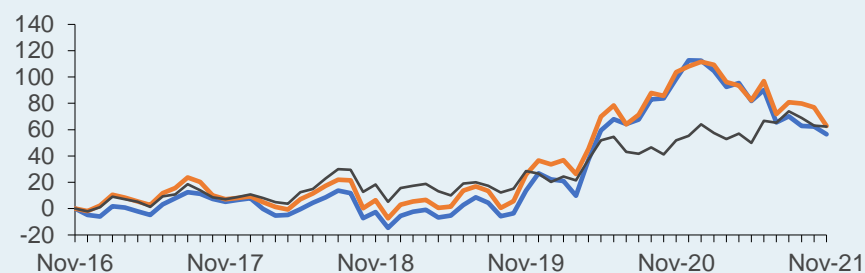


### Investment Objective and Benchmark Index

The Biotech Growth Trust PLC seeks capital appreciation through investment in the worldwide biotechnology industry. Performance is measured against its benchmark index, the NASDAQ Biotechnology Index (sterling adjusted).

### Five Year Performance (%)

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed; an investor may receive back less than the original amount invested.



— Share Price (total return) +56.5%  
 — Net Asset Value per share (total return) +62.5%  
 — Benchmark: NASDAQ Biotechnology Index (sterling adjusted) +57.6%

Source: Morningstar, Index - Bloomberg.

### Ten Largest Holdings as at 30 November 2021 (% of total investments)

Name	Total
Horizon Therapeutics	5.0
GH Research	4.6
Seagen	4.5
Guardant Health	3.4
Moderna	3.3
Yisheng	3.3
Keros Therapeutics	3.2
BioMarin Pharmaceutical	2.9
Gilead Sciences	2.8
Syndax Pharmaceuticals	2.6
<b>Total</b>	<b>35.6</b>



Portfolio Manager Geoffrey Hsu



**OrbiMed**  
 Healthcare Fund Management

### Fast Facts As at 30 November 2021

<b>Launch Date</b>	June 1997
<b>AIC Sector</b>	Biotechnology & Healthcare
<b>Date of Appointment of OrbiMed</b>	19 May 2005
<b>Annual Management Fee (payable by the Company)</b>	0.65% of net assets plus 0.30% per annum on the Company's market capitalisation up to £500m, 0.20% on market capitalisation above £500m to £1bn and 0.10% on market capitalisation over £1bn
<b>Performance fee</b>	See Annual Report for details
<b>Ongoing Charges Ratio (OCR) *</b>	1.1%
<b>Continuation Vote</b>	2025 AGM and every 5th AGM thereafter
<b>Year / interim end</b>	31 March / 30 September
<b>Capital Structure</b>	41,158,682 Ordinary Shares of 25p

### Trust Characteristics

<b>Number of Holdings</b>	89
<b>Net Assets (£m)</b>	£494.1m
<b>Market Capitalisation (£m)</b>	£477.4m
<b>Dividend Policy</b>	It is not anticipated that the Company will pay a dividend
<b>Gearing (AIC basis)</b>	7.2%
<b>Leverage**</b>	Gross 109.3% Commitment 108.5%
<b>Share Price (p)</b>	1160.00
<b>NAV (p)</b>	1200.59
<b>(Discount) / Premium</b>	(3.4%)
<b>Portfolio Turnover p.a.</b>	96.1%
<b>Active Share***</b>	74.9%

### Geographical Breakdown as at 30 November 2021 (%)

North America	70.6%
Continental Europe	12.4%
China (quoted)	8.5%
*Unquoted	6.9%
South Korea	0.8%
United Kingdom	0.4%
Singapore	0.4%
<b>Total</b>	<b>100.0%</b>

\* No more than 10% of gross assets will be invested in unquoted investments at the time of acquisition. This limit includes any investment or commitment to invest in private equity funds managed by OrbiMed or an affiliate thereof. Investments or commitments to invest in such private equity funds will be limited to US\$15m, after the deduction of proceeds of disposal and other returns of capital. Of the 6.9% unquoted investments, 6.5% was in China, 0.3% was in Asia, and 0.1% was in Canada.

Source: All portfolio information sourced from Frostrow Capital LLP

### Discrete Performance – Calendar Years (%)

Percentage Growth 12 Month Return	2016	2017	2018	2019	2020	YTD
NAV	-7.6	9.9	-14.3	47.4	52.4	-21.8
Share Price	-4.7	12.1	-19.9	48.5	67.7	-26.4
Index	-6.5	10.5	-3.8	19.6	22.1	3.6

### Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Nov 16- Nov 17	Nov 17- Nov 18	Nov 18- Nov 19	Nov 19- Nov 20	Nov 20- Nov 21
NAV	6.9	-0.7	18.3	61.9	-20.1
Share Price	5.1	-7.3	16.6	74.8	-21.2
Index	6.8	9.8	8.0	17.5	5.9

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed.

Source: NAV (total return; fully diluted) & Share Price (total return) – Morningstar. Index - Bloomberg.

\*Calculated at the financial year end, includes management fees and all other operating expenses, excludes performance fees.

\*\*The Board has set the leverage limit for both the Gross and the Commitment basis at 130% of the Company's Net Asset Value.

\*\*\*Active Share is expressed as a percentage and shows the extent to which a fund's holdings and their weightings differ from those of the fund's benchmark index. A fund that closely tracks its index might have a low Active Share of less than 20% and be considered passive, while a fund with an Active Share of 60% or higher is generally considered to be actively managed.

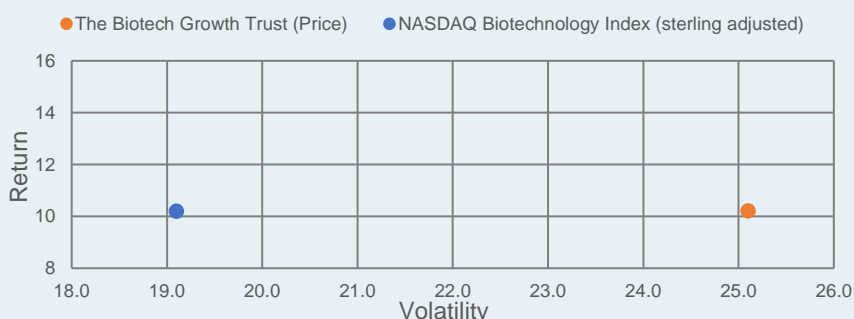
### Codes

<b>Sedol</b>	0038551
<b>ISIN</b>	GB0000385517
<b>Legal Entity Identifier (LEI)</b>	549300Z41EP32MI2DN29
<b>Global Intermediary Identification Number (GIIN)</b>	U1MQ70.99999.SL.826
<b>Bloomberg</b>	BIOG LN
<b>EPIC</b>	BIOG

### Investment Policy

In order to achieve its investment objective, the Company invests in a diversified portfolio of shares and related securities in biotechnology companies on a worldwide basis. The Company will not invest more than 15% of the value of its gross assets in any one individual stock at the time of acquisition. No more than 10% of gross assets will be invested in unquoted investments at the time of acquisition. This limit includes any investment or commitment to invest in private equity funds managed by OrbiMed or an affiliate thereof. Investments or commitments to invest in such private equity funds will be limited to US\$15m, after the deduction of proceeds of disposal and other returns of capital. The Company's borrowing policy is that borrowings will not exceed 20% of the Company's net assets. The Company may be unable to invest directly in certain countries. In these circumstances, the Company may gain exposure to companies in such countries by investing indirectly through swaps. Where the Company invests in swaps, exposure to underlying assets will not exceed 5% of the gross assets of the Company at the time of entering into the contract.

### Return vs Volatility (5 Years Annualised) – Chart (%)



### Commentary

In November, the NAV per share was down 8.0%, the share price was down 3.7% and the benchmark NASDAQ Biotechnology Index (sterling adjusted) was down 1.0%.

Biotechnology sector performance continued to lag the broader markets during November. In particular, small cap biotech significantly underperformed large cap biotech, continuing a trend that has persisted since the beginning of the fiscal year. Given the fund's significant overweighting of small cap biotech, this resulted in a period of challenging relative performance versus the benchmark index. We would note that the small cap underperformance is a market-wide phenomenon that is not confined to biotech. In November, the Russell 2000, a broad small cap index, underperformed the S&P 500 by about 3.5%. We continue to believe a reversal of this trend should occur in the near-term. On the macro front, U.S. Federal Reserve Chairman Powell's suggestion that the central bank may consider accelerating tapering due to inflationary pressures added additional headwinds to the stock market generally.

In November, the U.S. House of Representatives passed the Build Back Better Act, which includes drug pricing provisions that would set out-of-pocket caps for Medicare beneficiaries, implement price inflation limits for drugs, and allow the federal government to negotiate Medicare prices for a select number of high-cost drugs lacking generic or biosimilar competitors. The bill, however, may still be modified as it moves through the Senate. We continue to see any drug pricing provisions ultimately enacted as clearing a policy overhang for the sector rather than having a significant negative impact on the industry. Final bill passage could occur by year-end. On the regulatory front, President Joe Biden announced he would nominate Dr. Robert Califf to become permanent FDA commissioner. Califf is a cardiologist who previously served as an FDA commissioner during the Obama administration. He is regarded as data-driven and industry-friendly. His expected confirmation by the Senate will hopefully restore public confidence in the objectivity and credibility of the agency, whose decisions have become politicized recently due to FDA actions taken to address the COVID pandemic.

Despite a sizable deal announcement with Novo Nordisk's agreement to acquire Dicerna for more than \$3 billion, the prospect of M&A has thus far failed to reverse the underperformance of the sector. That said, we believe the probability of M&A will only increase as more biotech companies' valuations decline to new lows, with some now having market caps approaching the cash held on their balance sheets. We are hopeful the biotech sector will outperform as we move closer to removal of the drug pricing overhang, confirmation of a permanent FDA commissioner, and a potentially busier M&A environment in the months ahead.

In November, global new COVID-19 case volume resurged, with Europe contributing most significantly to the rebound. Identification of the Omicron variant as a "variant of concern" by the WHO late in the month caused COVID vaccine stocks like Moderna and BioNTech to appreciate dramatically. We took a transient position in both stocks to manage risk with the advent of Omicron, though we still remain significantly underweight both names versus the index. Early anecdotal reports from those infected with the variant suggest Omicron results in mild symptoms that do not generally require hospitalization. We continue to monitor the Omicron situation closely as we suspect investor interest in the COVID vaccine names could dwindle again if growing evidence supports low severity that would not meaningfully boost vaccine demand.

### Discount / Premium Control Mechanism

The Directors have adopted an active discount management policy to establish and support an improved rating in the Company's shares through the use of share buybacks, with a view to limiting the discount to NAV per share at which the shares trade to no more than 6%. Shares bought back will be cancelled.

### How to Contact Us

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Keros Therapeutics, Moderna, and HBM Holdings were the largest positive contributors to performance during the month. Keros' shares climbed after it published an update from its Phase 2 clinical trial of KER-050 in myelodysplastic syndrome showing promising signals of activity. Moderna outperformed in November due to the resurgence of new COVID cases coupled with the discovery of the Omicron variant in late November. Shares of HBM Holdings rebounded in November on no fundamental news.

Clover Biopharma, Neurocrine Biosciences and Mirati Therapeutics were the largest negative contributors to performance during the month. Clover Biopharma shares fell after its Hong Kong IPO before stabilizing. Neurocrine Biosciences stock was weak following 3Q21 earnings which failed to meet elevated investor expectations. Despite showing encouraging adagrasib/Keytruda combo data in front-line lung cancer, Mirati's stock price fell in November following a \$500M common stock offering and departures of its chief commercial officer and chief medical officer.

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### Risk Warnings

This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Before investing in the Company, or any other investment product, you should satisfy yourself as to its suitability and the risks involved, and you may wish to consult a financial adviser.

Any return you receive depends on future market performance and is uncertain. The Company does not seek any protection from future market performance so you could lose some or all of your investment. Shares of the Company are bought and sold on the London Stock Exchange (LSE). The price you pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company. Usually, at any given time, the price you pay for a share will be higher than the price you could sell it. For further information on the principal risks the Company is exposed to please refer to the Company's Annual Report or Investor Disclosure Document available at [www.biotechgt.com](http://www.biotechgt.com). The Company can borrow to purchase investments, this could potentially magnify any losses or gains made by the Company.

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### Important Information

The Biotech Growth Trust PLC is a public limited company whose shares are premium listed on the LSE and is registered with HMRC as an investment trust. The Company has an indeterminate life, although shareholders consider and vote on the continuation of the Company every five years (the next such vote will be held in 2025).