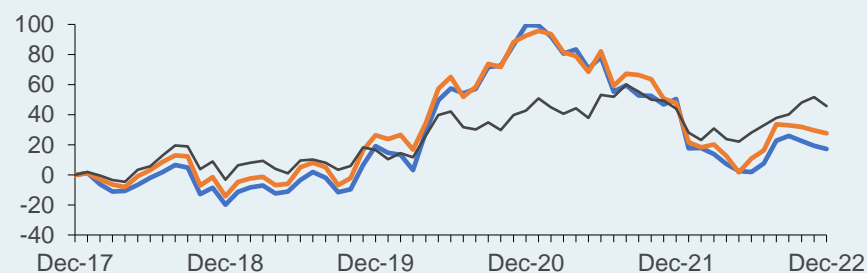


Investment Objective and Benchmark Index

The Biotech Growth Trust PLC (the “Company”) 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) +17.2%
 — Net Asset Value per share (total return) +28.0%
 — Benchmark: NASDAQ Biotechnology Index (sterling adjusted) +40.3%

Source: Morningstar, Index - Bloomberg.



Portfolio Manager Geoffrey Hsu



OrbiMed
 Healthcare Fund Management

Fast Facts As at 31 December 2022

Launch Date June 1997

AIC Sector Biotechnology & Healthcare

Date of Appointment of OrbiMed
 19 May 2005

Annual Management Fee (payable by the Company)

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

Performance fee See Annual Report for details

Ongoing Charges Ratio (OCR) * 1.1%

Continuation Vote 2025 AGM and every 5th AGM thereafter

Year / interim end 31 March / 30 September

Capital Structure 40,020,414 Ordinary Shares of 25p

Trust Characteristics

Number of Holdings 57

Net Assets (£m) £408.7m

Market Capitalisation (£m) £370.6m

Dividend Policy It is not anticipated that the Company will pay a dividend

Gearing (AIC basis) 8.1%

Leverage** Gross
 108.1%
 Commitment
 108.1%

Share Price (p) 926.00

NAV (p) 1021.09

(Discount) / Premium (9.3%)

Portfolio Turnover p.a. 97.4%

Active Share*** 84.5%

Ten Largest Holdings as at 31 December 2022 (% of total investments)

Name	Total
Biogen	5.3
Sarepta Therapeutics	5.2
BioMarin Pharmaceutical	4.8
Syndax Pharmaceuticals	4.5
Aclaris Therapeutics	4.0
Ionis Pharmaceuticals	3.9
Keros Therapeutics	3.7
Yisheng	3.6
Compass Therapeutics	3.4
Xenon Pharmaceuticals	3.3
Total	41.7

Geographical Breakdown as at 31 December 2022 (%)

North America	79.6%
Continental Europe	8.5%
*Unquoted	8.4%
China (quoted)	2.0%
United Kingdom	1.5%

Total **100.0%**

* 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 8.4% unquoted investments, 8.1% was in China and 0.3% was in Asia.

Source: All portfolio information sourced from Frostrow Capital LLP

Discrete Performance – Calendar Years (%)

Percentage Growth 12 Month Return	2018	2019	2020	2021	2022
NAV	-14.3	47.4	52.4	-23.1	-13.6
Share Price	-19.9	48.5	67.7	-24.6	-22.1
Index	-3.8	19.6	22.1	0.2	-0.3

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Dec 17- Dec 18	Dec 18- Dec 19	Dec 19- Dec 20	Dec 20- Dec 21	Dec 21- Dec 22
NAV	-14.3	47.4	52.4	-23.1	-13.6
Share Price	-19.9	48.5	67.7	-24.6	-22.1
Index	-3.8	19.6	22.1	0.2	-0.3

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.

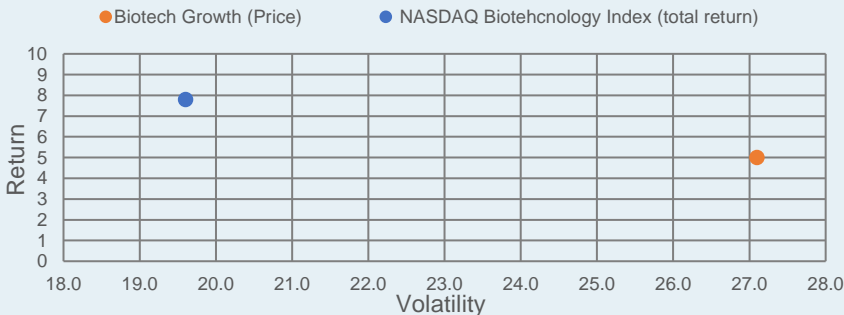
Codes

Sedol	0038551
ISIN	GB0000385517
Legal Entity Identifier (LEI)	549300Z41EP32MI2DN29
Global Intermediary Identification Number (GIIN)	U1MQ70.99999.SL.826
Bloomberg	BIOG LN
EPIC	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 December, the NAV per share was down 1.2%, the share price was down 1.8% and the benchmark NASDAQ Biotechnology Index (sterling adjusted) was down 4.3%.

The biotech sector outperformed the broader markets in December, although both experienced a decline. Towards the latter half of the month, as recession concerns picked up, price action across the sector was marked by exposure reduction in crowded “hiding spots,” including large-cap biotech and pharma. The flat performance of small and mid-cap biotech since September resulted in relative outperformance vs. large cap names in the month. The Company’s heavy overweighting in small-cap biotech and underweighting in large-cap biotech led to the outperformance versus the benchmark index. Heading into the annual JP Morgan Healthcare Conference in January 2023, expectations for M&A announcements in the sector remained top of mind among biotech investors.

In December, in its largest-ever transaction, Amgen agreed to buy Horizon Therapeutics for roughly \$27.8 bn. The deal will deepen Amgen’s treatments for autoimmune, inflammatory, and rare diseases. We believe big pharma’s need to address revenue gaps in the latter half of the decade and the resetting of biotech valuations will continue to provide a favorable backdrop for an active M&A environment in 2023. This M&A activity should help catalyze a recovery for the sector.

Verona Pharma, Aerovate Therapeutics, and Compass Therapeutics were the largest positive contributors to performance during the month. In December, Verona Pharma’s shares appreciated substantially after announcing positive results from a Phase 3 study evaluating nebulized ensifentrine as a maintenance treatment for chronic obstructive pulmonary disease. Aerovate’s stock rallied after its competitor Gossamer Bio released results for a trial of serralutinib in pulmonary arterial hypertension (PAH). Despite the fact that Gossamer’s trial results fell below expectations, the data did provide evidence that inhaled tyrosine kinase inhibitors like Aerovate’s AV-101 are a safe and viable approach to treat PAH. Compass outperformed in December in anticipation of additional clinical data from its lead program, CTX-009, in cholangiocarcinoma and colorectal cancer in 2023.

Biogen, 2Seventy Bio, and Mirati Therapeutics were the largest negative contributors to performance during the month. Biogen stock was weak in December as investors took profits prior to the January 6 approval deadline for the company’s Alzheimer’s drug lecanemab. The drug has since been approved. 2Seventy Bio underperformed in December on no fundamental news. Mirati’s share price declined after it announced preliminary data from lung cancer studies for its KRAS inhibitor adagrasib that were below expectations. Despite this announcement, we await a mature dataset, including survival data, to make a more meaningful comparison to the standard of care.

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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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. The Company can borrow to purchase investments, this could potentially magnify any losses or gains made by the Company.

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).