

### 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).



**Portfolio Manager**  
Geoffrey Hsu

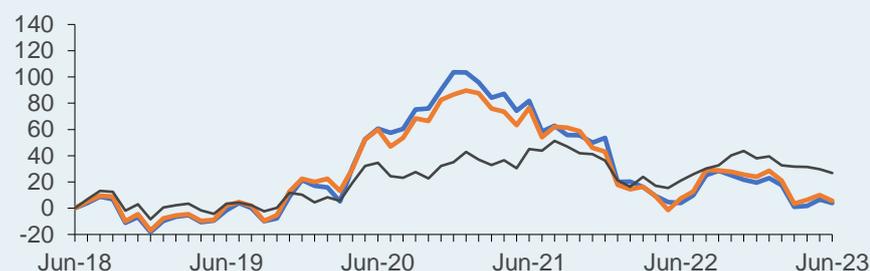
**Portfolio Manager**  
Josh Golomb



**OrbiMed**  
Healthcare Fund Management

### 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) +4.0%  
 — Net Asset Value per share (total return) +5.5%  
 — Benchmark: NASDAQ Biotechnology Index (sterling adjusted) +22.5%

Source: Morningstar, Index - Bloomberg.

### Ten Largest Holdings as at 30 June 2023 (% of total investments)

Name	Total
Biogen	6.8
Amgen	6.7
BioMarin Pharmaceutical	5.1
Syndax Pharmaceuticals	4.8
Ionis Pharmaceuticals	4.5
XtalPi	4.0
Vera Therapeutics	3.7
Xenon Pharmaceuticals	3.5
Traverse Therapeutics	3.1
United Therapeutics	3.1
<b>Total</b>	<b>45.3</b>

Fast Facts	As at 30 June 2023
Launch Date	June 1997
AIC Sector	Biotechnology & Healthcare
	Date of Appointment of OrbiMed 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
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	37,400,570 Ordinary Shares of 25p

### Trust Characteristics

Number of Holdings	59
Net Assets (£m)	£325.0m
Market Capitalisation (£m)	£301.1m
Dividend Policy	It is not anticipated that the Company will pay a dividend
Gearing (AIC basis)	2.2%
Leverage**	Gross 105.1% Commitment 104.0%
Share Price (p)	805.00
NAV (p)	868.96
(Discount) / Premium	(7.4%)
Portfolio Turnover p.a.	123.2%
Active Share***	78.0%

### Geographical Breakdown as at 30 June 2023 (%) †

North America	79.0%
Continental Europe	10.4%
Unquoted ‡	6.1%
China (quoted)	4.5%

**Total** **100.0%**

† Calculation based on economic exposure and expressed as a % of the total economic exposure. This includes all derivatives as an economically equivalent position in the underlying holding.

‡ 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 6.1% unquoted investments, 5.5% was in China and 0.6% 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	YTD
NAV	-14.3	47.4	52.4	-23.1	-13.6	-14.9
Share Price	-19.9	48.5	67.7	-24.6	-22.1	-13.1
Index	-3.8	19.6	22.1	0.2	-0.3	-7.9

### Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Jun 18- Jun 19	Jun 19- Jun 20	Jun 20- Jun 21	Jun 21- Jun 22	Jun 22- Jun 23
NAV	1.9	56.8	10.3	-39.1	-1.7
Share Price	-1.6	63.3	13.2	-42.9	0.1
Index	3.2	28.6	7.5	-17.5	4.1

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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.

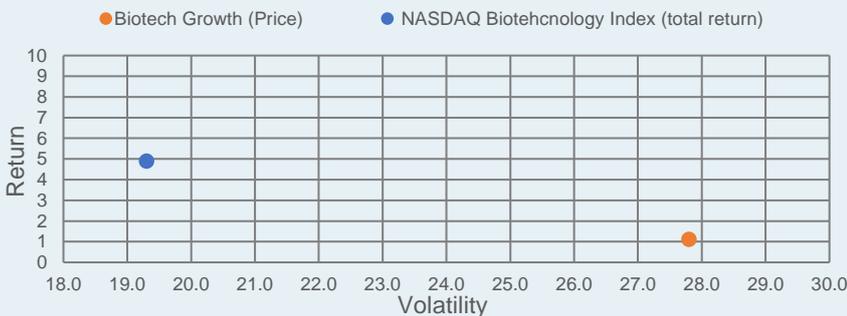
### Codes

<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 June, the NAV per share was down 4.0%, the share price was down 2.5% and the benchmark NASDAQ Biotechnology Index (sterling adjusted) was down 2.5%.

The biotech sector underperformed the broader markets in June. Investor rotation out of biotech persisted during the month, resulting in underperformance of the sector. Optimism for a soft landing for the economy grew and resulted in investors shifting capital from their defensive biopharma positions into the outperforming tech sector. Small and midcap biotech performance has been relatively rangebound in recent months, but stocks have reacted rationally to fundamental news, which provides reason for optimism that research diligence and effort will be rewarded.

In June, two M&A transactions were announced which involved targets held by the Company at the time of announcement. Novartis agreed to acquire Chinook Therapeutics for up to \$3.5bn, a ~67% premium to its last closing price. The deal will give Novartis access to two drugs for a rare and progressive kidney condition known as IgA nephropathy (IgAN). In addition, Eli Lilly announced the acquisition of DICE Therapeutics for \$2.4bn, representing a 42% premium to the closing stock price of the previous trading day. The deal gives Eli Lilly access to a promising oral autoimmune disease drug in clinical testing. The Company's position in DICE was relatively small, so this transaction did not have a material impact on Company performance. M&A activity remains one of the principal themes driving small and midcap biotech performance, and we believe the recent heightened level of activity should continue through the balance of this year. Unfortunately, two clinical setbacks at Mersana and uniQure (explained below) more than offset the Company's gains from M&A in June.

Chinook Therapeutics, Vera Therapeutics, and Amicus Therapeutics were the largest positive contributors to performance during the month. Chinook's stock soared after Novartis agreed to acquire it for up to \$3.5bn. Vera rallied after reporting encouraging Phase 2a atacept IgAN data at a medical conference in June. Amicus shares appreciated in anticipation of a positive approval decision for the company's drug for Pompe disease in the U.S. and Europe in 3Q23.

Mersana Therapeutics, uniQure, and Keros Therapeutics were the largest negative contributors to performance during the month. Mersana's shares fell after the company disclosed five fatal events due to bleeding out of over 500 ovarian cancer patients dosed with its antibody-drug conjugate. Physicians still believe there is a high unmet need in platinum-resistant ovarian cancer, so we await pivotal data and potential safety profile updates in the coming weeks to further assess the risk-benefit of the drug in this setting. uniQure underperformed after announcing mixed interim data from its Phase 1/2 trial of its gene therapy for Huntington's disease, a neurodegenerative disorder. Keros stock was weak after updated trial data for the company's drug for myelodysplastic syndrome indicated a less robust clinical benefit relative to previous updates.

**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](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).