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ANNUAL FINANCIAL REPORT

BIOTECH GROWTH TRUST (THE) PLC

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The Biotech Growth Trust PLC (the "Company")

Annual Report for the Year Ended 31 March 2026

The statements below are extracted from the Company's annual report for the year ended 31 March 2026 (the Annual Report). The Annual Report, which includes the notice of the Company's forthcoming annual general meeting, will be posted to shareholders on 10 June 2026. Members of the public may obtain copies from Frostrow Capital LLP, 25 Southampton Buildings, London WC2A 1AL or from the Company's website at <https://www.biotechgt.com/corporate-information/annual-report-2026> Up to date information on the Company, including daily NAV, share prices and fact sheets, can also be found on the website.

The Annual Report will be submitted to the Financial Conduct Authority and will shortly be available in full, unedited text for inspection on the National Storage Mechanism (NSM): <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

Frostrow Capital LLP
Company Secretary
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FINANCIAL HIGHLIGHTS as at 31 March 2026

1,414.6p	1,260.0p	£281.9m
Net asset value per share*	Share price	Shareholders' funds*
2025: 815.9p	2025: 754.0p	2025: £221.2m
73.4%	67.1%	35.0%
Net asset value per share (total return)^	Share price (total return)^	Benchmark †
2025: (24.4%)	2025: (24.2%)	2025: (6.0%)
10.9%	1.2%	80.8%
Discount of share price to net asset value per share^	Ongoing Charges^	Active Share***^
2025: 7.6%	2025: 1.1%	2025: 73.0%

* IFRS Measure

^ Alternative Performance Measure

† NASDAQ Biotechnology Index (total return, net of withholding tax, sterling adjusted)

** Source: Morningstar

CHAIR'S STATEMENT

INTRODUCTION AND RESULTS

I am pleased to report that, during the year ended 31 March 2026, the Company delivered very strong performance. The Company's net asset value ("NAV") per share increased by 73.4%, significantly outperforming the NASDAQ Biotechnology Index (total return, net of withholding tax, sterling adjusted) (the "Benchmark"), which rose by 35.0% over the same period. While returns over the past few years have been volatile, it is nonetheless pleasing to see the Company's investment strategy yielding such a substantial absolute return and a high level of relative outperformance.

Performance over the year was driven by a combination of improving sector sentiment, effective portfolio positioning and a number of successful stock-specific outcomes. After a subdued start to the financial year, marked by macroeconomic uncertainty and policy-related headwinds, conditions for biotechnology improved meaningfully as interest rate expectations shifted in the U.S., political and regulatory risks became clearer and merger and acquisition (M&A) activity accelerated. The portfolio benefitted in particular from OrbiMed's sustained emphasis on small and mid-capitalisation biotechnology companies, a positioning that has reflected their conviction for some time. While this focus weighed on returns in the previous financial year, it was the principal reason for the Company's strong absolute and relative performance during the year. The Company also benefitted from six announced M&A transactions involving portfolio holdings, reinforcing the effectiveness of OrbiMed's long standing investment approach.

The Company started the year ungeared and ended with modest gearing of 3.3%. Gearing contributed 2.4% to the Company's NAV total return during the year, reflecting the disciplined use of leverage as conviction in the recovery strengthened. The Board continues to view gearing as a useful tool when it is cost effective, deployed appropriately and maintained within conservative limits.

The Company did not invest in any new private companies during the year and, at the year end, unquoted investments comprised only 0.5% of the portfolio. This reflects both the subdued initial public offering (IPO) market and a deliberate emphasis on liquidity and flexibility.

The majority of the Company's assets are denominated in U.S. dollars and, as a result, NAV performance was negatively affected by the strength of sterling during the year. The average exchange rate over the year was \$1.34, some 4.7% stronger than the previous year's average of \$1.28, creating a currency headwind despite strong underlying portfolio performance.

The Company reduced its exposure to Chinese biotechnology companies, which represented 4.7% of the portfolio at the year end. Valuations across the Chinese biotech sector remained under pressure amid a challenging macroeconomic, geopolitical and regulatory environment. Nevertheless, the Portfolio Manager continues to see China emerging as an increasingly important centre for biotech innovation and development productivity, supported by government prioritisation of the sector. OrbiMed's teams in Shanghai and Hong Kong are well placed to identify and conduct due diligence on attractive opportunities in the region.

Overall, the Board is encouraged by the breadth and quality of the drivers underpinning the Company's performance during the year, with returns led in particular by strong contributions from small and mid - capitalisation biotechnology companies. While we remain mindful of the inherent volatility of both the sector and the Company's active approach, it is reassuring to see the portfolio respond strongly as conditions improved and investment theses were realised. Our confidence in the Portfolio Manager and their disciplined, research-led strategy is reinforced by these results. I encourage shareholders to read OrbiMed's Review, which provides further insight into the key investment themes and company-specific developments that contributed to performance.

CAPITAL STRUCTURE

The Company's share price total return for the year was 67.1% (2025: -24.2%). The share price discount to the NAV per share widened from 7.6% at the start of the Company's financial year to 10.9% at the year end, materially wider than the Board's long term target of no more than 6%.

This outcome was driven by an unusually large movement in NAV per Share on the final day of the financial year, which rose by 8.3%, a very significant increase in the space of a single day. Given the Company's high exposure to North American investments, much of this uplift occurred after the London market had closed. At the UK market close on 31 March, the estimated discount was 6.6%; however, once the US market closed and the full increase in the NAV per Share was reflected, the discount widened to 10.9%. The principal driver of the NAV appreciation that day was the announcement that

Biogen Inc. had entered into an agreement to acquire one of the Company's portfolio holdings, Apellis Pharmaceuticals, Inc.

The Company's shares traded at a discount throughout the year, leading to the repurchase of 7,183,277 shares, at an average discount of 8.5% to the Company's NAV per share at the time, at a total cost of £69.5 million. Shareholders will be aware that the Company pursues an active discount management policy, buying back shares when the discount of the Company's share price to its NAV per share is wider than 6% (under normal market conditions). Share buybacks contributed 2.8% to the Company's NAV return over the year, more than double the Company's ongoing charges, underscoring the value created through disciplined discount management. In November 2025, reflecting both the overall quantum of buybacks and the Board's commitment to the Company's policy, we held a General Meeting to renew shareholder authority to buy back shares when it became clear that the authority granted at the annual general meeting (AGM) in 2025 would be exhausted before the 2026 AGM.

The renewal was approved by shareholders, with 99.7% of votes cast in favour, enabling the Company to continue operating its discount management policy. Since the renewed authority will expire at the conclusion of the Company's forthcoming AGM, in line with usual practice the Company will ask shareholders to renew the authority again at the AGM in July.

As we have previously commented, the shares can trade at a discount wider than 6%, particularly in volatile or muted markets such as those we have experienced recently. However, the Company remains committed to protecting a 6% share price discount over the longer term. Since the year end, a further 529,600 shares have been bought back for cancellation and at the time of writing the share price discount stands at 10.7%.

RETURN AND DIVIDEND

The revenue return per share was -1.9p (2025: 0.0p). This reflects the low yield generated from the biotechnology sector and, in particular, the small and mid-cap companies in the sector that comprise much of the portfolio.

As a result, no dividend is recommended in respect of the year ended 31 March 2026 (2025: nil).

BOARD CHANGES

In September we were delighted to announce the appointment of Professor Dame Jenny Harries as a non-executive director. Dame Jenny's unparalleled experience in public health leadership and global health strategy will bring an invaluable perspective to the Board. Her appointment marks the end of an extended period of Board refreshment, with no director retirements expected in the medium term.

PERFORMANCE FEE

There is currently no provision within the Company's NAV for any performance fee payable at a future calculation date. The arrangements for performance fees are described in detail on page 48 of this Annual Report but I would highlight that it is dependent on the Company's long-term outperformance: any outperformance has to be maintained for 12 months after the relevant calculation date and only becomes payable to the extent that the outperformance gives rise to a total fee greater than the total of all performance fees paid to date. This ensures that a performance fee is not payable for any outperformance that contributes to recovery of prior performance.

ANNUAL GENERAL MEETING

The Company's AGM will be held at the Barber-Surgeons' Hall, Monkwell Square, Wood St, Barbican, London EC2Y 5BL on Thursday, 16 July 2026 at 12 noon. As well as the formal proceedings, there will be an opportunity for shareholders to meet the Board and the Portfolio Manager, and to receive an update on the Company's strategy and its key investments.

I very much look forward to seeing as many shareholders as possible. For those investors who are not able to attend the meeting in person, a video recording of the Portfolio Manager's presentation will be uploaded to the website after the meeting. Shareholders can submit questions in advance by writing to the Company Secretary at info@frostrow.com.

I encourage all shareholders to exercise their right to vote at the AGM. The Board strongly encourages shareholders to register their proxy voting instructions online in advance of the AGM. Registering your voting instructions in advance will not restrict you from attending and voting at the meeting in person should you wish to do so, but ensures your vote is registered if you are no longer able to attend on the day. The results of the proxy votes will be published immediately following the conclusion of the AGM by way of a stock exchange announcement and on the Company's website: www.biotechgt.com.

ARTICLES OF ASSOCIATION

Under Resolution 15 in the Notice of AGM, the Company is proposing to adopt new articles of association. The sole change proposed is the inclusion of a new article which will provide a mechanism to ensure continuity of governance in the unlikely event that the number of directors falls below the minimum required. We consider this to be a prudent governance measure and further details are set out in the explanatory notes to the resolutions.

OUTLOOK

After several challenging years, the outlook for the global biotechnology sector is more constructive, albeit not without risk. Improved visibility around U.S. regulatory and pricing frameworks, a stabilising interest rate environment and renewed M&A activity have allowed investor attention to return to sector fundamentals. Clearly, uncertainties remain, including pricing pressures, funding constraints for earlier - stage companies, execution risk around clinical development and a selective capital markets backdrop. Nevertheless, the sector is entering a period rich with catalysts, supported by a strong pipeline of clinical data, supportive regulatory decisions and promising product launches across a range of therapeutic areas.

The Company's returns have been volatile in recent years, reflecting both the nature of a young, innovation - driven sector and the Company's active investment approach. As conditions have begun to normalise following a prolonged period of macroeconomic and regulatory uncertainty, the Board remains confident in the Portfolio Manager's investment strategy and their disciplined approach. While volatility may persist, we believe the portfolio is well positioned to benefit from a more sustained recovery in the sector.

Roger Yates

Chair

2 June 2026

INVESTMENT PORTFOLIO

INVESTMENTS HELD AS AT 31 MARCH 2026

Security	Country/Region #	Fair value £'000	% of investments
Amgen	USA	10,637	3.7
Relmada Therapeutics	USA	10,596	3.6
C4 Therapeutics ^{~ 1}	USA	10,530	3.6
Xenon Pharmaceuticals	Canada	10,449	3.6
Rhythm Pharmaceuticals	USA	10,308	3.5
ORIC Pharmaceuticals	USA	9,308	3.2
Praxis Precision Medicines	USA	9,285	3.2
Regeneron Pharmaceuticals	USA	8,607	3.0
Biogen	USA	8,561	2.9
Esperion Therapeutics	USA	7,743	2.7
Ten largest investments		96,024	33.0
UroGen Pharma	USA	7,307	2.5
Syndax Pharmaceuticals	USA	7,101	2.4
Cogent Biosciences	USA	7,052	2.4
Kiniksa Pharmaceuticals International	USA	6,594	2.3
Edgewise Therapeutics	USA	6,341	2.2
Gilead Sciences	USA	6,298	2.2
BioCryst Pharmaceuticals	USA	6,266	2.2
Corbus Pharmaceuticals Holdings	USA	6,243	2.1
Forte Biosciences	USA	6,142	2.0
Ascendis Pharma	Denmark	5,715	2.0
Twenty largest investments		161,083	55.3
Palvella Therapeutics	USA	5,690	2.0
CG oncology	USA	5,620	1.9
Krystal Biotech	USA	5,461	1.9
Nanjing Leads Biolabs	China	5,209	1.8
Cybin ^{~ 2}	Canada	5,120	1.8
Dyne Therapeutics	USA	4,978	1.7
Janux Therapeutics	USA	4,827	1.6
Mineralys Therapeutics	USA	4,461	1.5
Pharvaris	Netherlands	4,378	1.5
Definium Therapeutics	USA	4,355	1.5

Thirty largest investments		211,182	72.5
Argenx	Netherlands	4,122	1.4
Structure Therapeutics	USA	4,090	1.4
Trevi Therapeutics	USA	4,037	1.4
GenFleet Therapeutics Shanghai	China	4,030	1.4
Abivax	France	3,969	1.4
Revolution Medicines	USA	3,831	1.3
Bicara Therapeutics	USA	3,715	1.3
Nektar Therapeutics	USA	3,634	1.2
Protagonist Therapeutics	USA	3,365	1.2
Axsome Therapeutics	USA	3,270	1.1
Forty largest investments		249,245	85.6
Palisade Bio	USA	3,096	1.1
Alto Neuroscience	USA	2,848	1.1
Vera Therapeutics	USA	2,714	0.9
Savara	USA	2,629	0.9
uniQure	Netherlands	2,561	0.9
EyePoint	USA	2,541	0.9
PTC Therapeutics	USA	2,534	0.8
Abbisko Cayman	China	2,394	0.8
Immunic ³	USA	2,253	0.7
Bright Minds Biosciences	Canada	2,202	0.7

Fifty largest investments		275,017	94.4
Tectonic Therapeutic	USA	1,807	0.6
Lexeo Therapeutics	USA	1,732	0.6
Compass Pathways	United Kingdom	1,638	0.6
Heron Therapeutics	USA	1,607	0.5
KalVista Pharmaceuticals	USA	1,441	0.5
Akeso	China	1,333	0.5
Enliven Therapeutics	USA	1,229	0.4
ADC Therapeutics	Switzerland	1,207	0.4
ALX Oncology Holdings	USA	1,054	0.4
Prelude Therapeutics	USA	888	0.3
Sixty largest investments		288,953	99.2
OrbiMed Asia Partners*†	USA	886	0.3
Milestone Pharmaceuticals ~ 4	Canada	530	0.2
Gracell Biotechnologies CVR*^	China	459	0.2
Vistagen Therapeutics	USA	355	0.1
New Horizon Health*	China	–	–
Stemirna Therapeutics*	China	–	–
Repare Therapeutics*	Canada	–	–
Total investments		291,183	100.0

All of the above investments are equities unless otherwise stated.

#	Primary listing
*	Unquoted
~ 1	Includes C4 Therapeutics Level 2 Warrants amounting to £10,120,000
~ 2	Includes Cybin Level 2 Warrants amounting to £232,000
~ 3	Includes Immunic Level 2 Warrants amounting to £633,000
~ 4	Level 2 Warrants
†	Partnership interest
^	Contingent Value Right

PORTFOLIO BREAKDOWN

Investments	Fair value £'000	% of investments
Quoted		
Equities	280,735	96.4
	280,735	96.4
Unquoted		
Equities	459	0.2
Partnership interest	886	0.3
	1,345	0.5
Derivatives		
Warrants (level 2)	9,103	3.1
Total investments	291,183	100.00

PERFORMANCE ATTRIBUTION FOR THE YEAR ENDED 31 MARCH 2026

Contribution to total returns	%	%
Benchmark return		35.0
Portfolio Manager's contribution		34.4
Portfolio total return		69.4
Gearing	2.4	
Management fee and other expenses	(1.2)	
Share buybacks	2.8	
Total		4.0
Return on net assets		73.4

PORTFOLIO MANAGER'S REVIEW

The Company delivered strong performance on both an absolute and relative basis for the year ended 31 March 2026. The Company's net asset value per share total return was +73.4% during the financial year, beating the 35.0% increase for the Company's benchmark, the NASDAQ Biotechnology Index (measured on a total return, net of withholding tax, sterling adjusted basis). The Company's share price total return was 67.1% over the same period.

The fiscal year can broadly be divided into three distinct phases: 1) uncertainty and muted performance in the first fiscal quarter, 2) an upward inflection in the second fiscal quarter, and 3) continued strong momentum in the third and fourth quarters of the fiscal year. The first fiscal quarter (April-June 2025) saw continued macro headwinds for the sector. Uncertainty around drug pricing policy and fears about the impact of U.S. Food and Drug Administration (FDA) leadership on the approval process weighed on share price performance. This was coupled with President Trump's "Liberation Day" announcement in early April imposing tariffs on goods imported into the United States. The tariff announcement led to a broad selloff in global financial markets before a 90-day pause was announced and deals and frameworks were implemented over the ensuing months. The second fiscal quarter (July-September 2025) brought about a dramatic inflection upward for the sector as the Federal Reserve began to signal that they would enter an interest rate easing cycle. Pharmaceutical tariff fears abated following a 15% EU-U.S tariff agreement, and M&A activity in the sector began to pick up. The Company's NAV appreciated during this period, benefitting from an overweight positioning in small and mid-cap biotech. The third phase of performance, encompassing the latter six months of the fiscal year, was characterised by continued positive momentum for the sector. Many of the sector-specific political overhangs abated and M&A continued its strong pace. During March, the last month of the fiscal year, financial markets were challenged by the conflict in the Middle East. The rising price of oil stoked inflation fears, leading to market-wide volatility, though biotechnology performed better than most other sectors. While many macroeconomic as well as industry-specific headwinds impacted the sector throughout the fiscal year, most have been resolved and the fundamentals of the sector remain strong. Despite the strong sector performance over the year, we do not believe the sector as a whole is overvalued.

In previous investor reports, we have discussed the unprecedented low valuations for the biotech sector over the past four years, following a significant drawdown starting in early 2021. Figure 1 (on page 11 of the Annual Report) is a graph showing the absolute valuations of the biotech sector as measured by the median ratio of market cap to net cash on the balance sheet. Importantly, the strong performance of the biotech sector over the past 12 months has only brought valuations to roughly the same level as the lows of the Dot Com bust in 2002 and the lows of the Great Financial Crisis of 2008/2009.

Biotech valuations remain depressed from a historical perspective, suggesting significant further upside is possible.

Additionally, since 31 March 2021, the Russell 2000 Biotech index, a small-cap biotech index, has underperformed the S&P 500 by 94%. Importantly, the performance gap between the Russell 2000 Biotech index and the S&P 500 has not narrowed appreciably despite the strong performance of biotech over the past 12 months. Given that small caps have historically outperformed large caps over the long term, coupled with the strong fundamentals of the biotech sector, we think this performance gap will eventually close, implying significant possible outperformance for biotech versus the broader markets in the months ahead.

Over the course of the year, the Company's net asset value per share total return outperformed the benchmark by 38.4%. The outperformance was driven by a larger allocation to emerging biotechnology versus large cap biotechnology relative to the index, M&A activity (including six announced transactions in which the Company held the target company at the time of acquisition announcement), and strong performance from our China holdings.

TOP AND BOTTOM FIVE CONTRIBUTORS TO NET ASSET VALUE PERFORMANCE FOR THE YEAR TO 31 MARCH 2026

	Contribution	Contribution
	£'000	per share (pence)*
Top Five Contributors		
Avidity Biosciences	11,186	47.9
Forte Biosciences	8,392	36.0
Relmada Therapeutics	7,174	30.7
CG Oncology	6,891	29.5
Dyne Therapeutics	6,496	27.8
	40,139	171.9
Top Five Detractors		
uniQure	(6,379)	(27.3)
Janux Therapeutics	(3,474)	(14.9)
Vertex Pharmaceuticals	(2,594)	(11.1)
Gilead Sciences	(2,429)	(10.4)
Tarsus Pharmaceuticals	(1,805)	(7.7)
	(16,681)	(71.4)

- * Based on 23,341,371 shares being the weighted average number of shares in issue during the year ended 31 March 2026
 . Source: Frostrow Capital LLP

CONTRIBUTORS AND DETRACTORS

Avidity Biosciences, Forte Biosciences, Relmada Therapeutics, CG Oncology, and Dyne Therapeutics were the leading contributors to performance in the portfolio during the year.

- **Avidity Biosciences** was a company developing first-in-class muscle-directed oligonucleotide therapies for the treatment of a number of neuromuscular diseases. The company was on track to deliver results for three Phase 3 trials for three different therapies in 2026. The excellent progress over the course of the fiscal year attracted significant strategic interest from large pharma. As a result, on 26 October 2025, Novartis announced that it had reached an agreement to acquire Avidity for \$12 billion.
- **Forte Biosciences** is developing a therapeutic antibody for coeliac disease and other autoimmune disorders. The Company led a private investment in public equity (PIPE), which included warrants, in Forte in November 2024 when the stock was trading at a negative enterprise value. Forte shares outperformed following the announcement of positive proof of concept data for its lead asset, FB102, in coeliac disease in June 2025.
- **Relmada Therapeutics** re-rated over the course of the fiscal year as the company pivoted its focus to bladder cancer, where its intravesical chemotherapy NDV-01 produced very high and durable complete response rates in high-risk non-muscle invasive bladder cancer (NMIBC) patients. No major safety issues were observed, and importantly no patients progressed to more advanced disease. The company secured FDA alignment to begin registration trials in both high-risk and intermediate-risk NMIBC.
- **CG Oncology** is another company developing a therapy for NMIBC. Its oncolytic immunotherapy drug has shown remarkable clinical activity in NMIBC patients for up to two years. The stock strength in the latter part of the fiscal year can be attributed to the company's acceleration of its Phase 3 data release in intermediate-risk NMIBC, which was pulled forward by about a year.
- **Dyne Therapeutics** is a company developing a differentiated, potentially best-in-class oligonucleotide platform for the treatment of a number of neuromuscular diseases. Dyne's differentiated technology allows delivery of highly efficacious genetic medicines directly to the muscle as well as the central nervous system. Dyne stock benefitted from Novartis' recent acquisition of Avidity, signaling pharma's interest in treatments for neuromuscular disorders utilising targeted delivery of oligonucleotide therapies.

uniQure, Janux Therapeutics, Vertex Pharmaceuticals, Gilead Sciences and Tarsus Pharmaceuticals were the principal detractors for the year.

- **uniQure** is a clinical stage biotech company developing gene therapies for debilitating neurological diseases. In September 2025, the company presented groundbreaking Phase I/II data for AMT-130, its lead program for Huntington's disease. The study showed that AMT-130 slowed disease progression by 75% over three years compared to what would be expected from the natural history of the disease. Despite these groundbreaking results, in November 2025 at a pre-Biologics License Application (BLA) submission meeting, the FDA Center for Biologics Evaluation and Research (CBER) under the leadership of Dr. Vinay Prasad indicated that the FDA no longer agreed that data from uniQure's pivotal trial was sufficient to support approval of the therapy. This was a surprising reversal of guidance the company had received prior to Dr. Prasad's appointment as head of CBER. The disappointing setback resulted in a significant stock price decline.
- **Janux Therapeutics** is developing masked bispecific T cell engagers. In December 2025, Janux provided an update for its lead program for the treatment of advanced prostate cancer patients. The results showed clinical activity but underperformed market expectations for duration of response to therapy. The company attributed the disappointing duration of response to the late-stage nature of the patients' disease and continues to test the drug in patients who are earlier in their disease course.
- **Vertex Pharmaceuticals** commercialises treatments for cystic fibrosis, sickle cell disease, transfusion-dependent beta thalassemia, and acute pain and has a clinical-stage pipeline focused on these disease areas. Vertex underperformed due to a disappointing Q1 2025 earnings report and subsequent negative updates for its pain franchise. The company announced the Phase 2 failure of its next generation acute pain treatment, VX-993, and the FDA informed the company that it would not be able to get a broad label in chronic peripheral pain for its first generation

product, suzetragine. Given more limited prospects for the pain franchise and slowing growth for the company's core cystic fibrosis franchise, the Company exited its position in Vertex.

- **Gilead Sciences** is a commercial-stage biopharmaceutical company developing medicines to prevent and treat life-threatening diseases, including HIV, viral hepatitis, COVID-19, and cancer. Gilead stock declined modestly in the period as investors tempered their expectations for the launch of the company's biannual HIV prevention treatment, Yeztugo.
- **Tarsus Pharmaceuticals** is a commercial stage company focused on eye care treatments. Tarsus commercialises Xdemvy, a first-in-disease treatment for demodex blepharitis, a chronic inflammatory condition of the eyelids. During the review period, Tarsus' stock price was volatile as prescription trends for Xdemvy faced seasonal headwinds, which caused investors to question revenue growth and peak sales potential for the drug.

MACRO FACTORS AND POLICY ENVIRONMENT

Macroeconomic and political factors continued to exert a significant influence on the biotech sector throughout the fiscal year, with headwinds present at the beginning of the fiscal year gradually abating as the year progressed.

PHARMACEUTICAL TARIFFS AND DRUG PRICING

President Trump's drug pricing initiatives created considerable uncertainty during the fiscal year. In May 2025, Trump signed an executive order announcing a most-favoured-nation (MFN) drug pricing model. While the concept had been proposed during Trump's first term, it was never implemented. In late July 2025, the Trump administration agreed to a broad 15% tariff rate between Europe and the U.S., which would likely apply to pharmaceutical products – a significantly better outcome than the potential 200% tariffs Trump had initially suggested. Because the cost of goods sold of pharmaceuticals is generally very low (less than 10% in many cases), any tariff on drugs should theoretically not have a dramatic effect on pharmaceutical margins. In September, Pfizer reached an agreement with the administration to bring U.S. drug prices for its Medicaid business to the lowest paid by other developed nations, with a three-year grace period sparing the company from any pharmaceutical tariffs. This Pfizer deal was a pivotal moment: it served as a template for other large pharmaceutical companies to reach deals with the administration and confirmed that MFN would seemingly be isolated to Medicaid rather than affecting commercial markets broadly. Subsequent to the Pfizer deal, dozens of other large pharmaceutical companies signed MFN deals of their own with the Trump administration. Investors viewed these deals as largely reducing the drug pricing risk for the companies with very little impact to the companies' overall income, catalysing share upside for the biopharmaceutical industry generally.

FDA REGULATORY ENVIRONMENT

The FDA regulatory landscape experienced notable turbulence during the fiscal year. On the positive front, FDA Commissioner Dr. Marty Makary consistently communicated a pro-innovation stance, stating that the agency would not cut drug reviewers or inspectors and would continue regulatory flexibility for rare disease treatments. He introduced policies exempting certain drugs from animal testing, instead allowing AI-based computational modelling and human organ model-based lab testing to satisfy those preclinical requirements. Additionally, he established the Commissioner's National Priority Voucher program, which allows a selected number of drugs addressing a national priority to gain approval in one-to-two months rather than the standard 10-12 months.

The appointment of Dr. Vinay Prasad as Director of the CBER in May 2025 introduced significant volatility in the biotech space, especially for gene and cell therapies which the CBER division oversees. Contrary to Makary's public statements about being more flexible on approval requirements to accelerate drugs to market, Prasad took a stricter stance on approval requirements that led to several high-profile negative review decisions in early 2026.

These included the surprise rejection of Disc Medicine's bitopertin for erythropoietic protoporphyria and an unexpected refusal-to-file for Moderna's influenza vaccine (later reversed within eight days). Prasad's actions triggered significant backlash from members of Congress and patient groups. Due to political and public pressure, it was announced in early March 2026 that Prasad would be leaving the FDA at the end of April. This was viewed as a significant positive regulatory development by investors.

While Prasad's tenure at CBER did negatively impact specific drug reviews, the agency overall has largely continued to function under Dr. Makary's leadership. New drug approvals at the agency have remained at a consistently high level, in line with previous years. In February 2026, the FDA announced that only one registrational trial, rather than the customary two, would be required for drug approvals going forward, which should reduce the time and cost of drug development generally. Additionally, the FDA has been employing artificial intelligence tools to speed up the review process and has also been

looking for ways to reduce red tape and accelerate the initiation of clinical trials. These structural changes should have a favourable impact on the speed and cost of drug development.

ROBUST FOLLOW-ON FINANCING MARKET WHILE THE IPO MARKET SHOWS SOME SIGNS OF LIFE

The financing environment for biotechnology companies remained strong for those with drugs that have generated promising data. During the fiscal year, there were 233 follow-on offerings in biotech, raising proceeds of \$38.3 billion, compared with the prior fiscal year where there were 170 follow-on offerings generating \$28.3 billion in proceeds.

While the IPO market has remained subdued for the past four years, it has recently shown some signs of returning with six offerings in the first three months of 2026. The Company will selectively participate in IPOs as favourable opportunities arise.

Given the sparse IPO activity over the past few years, the Company has not made any new “crossover” investments (i.e. private investments in pre-IPO rounds) recently. At the year end, 0.5% of the NAV was in unquoted investments.

M&A ACTIVITY REMAINED ELEVATED DESPITE DRUG PRICING AND POLITICAL UNCERTAINTY

M&A activity has been a historical driver of returns in the biotechnology industry as most emerging biotechnology companies that successfully develop a product are eventually acquired by larger companies. While each transaction is idiosyncratic in nature, the pace of M&A was elevated during the fiscal year compared to the previous fiscal year. The Company benefitted directly from six M&A transactions during the year because of holdings in the target companies at the time of the acquisition announcement:

- Merck KGaA's acquisition of **SpringWorks Therapeutics** for U.S. \$3.4 billion
- Novo Nordisk's acquisition of **Akero Therapeutics** for U.S. \$4.7 billion
- Novartis' acquisition of **Avidity Biosciences** for U.S. \$12 billion
- Merck's acquisition of **Cidara Therapeutics** for U.S. \$9.2 billion
- BioMarin's acquisition of **Amicus Therapeutics** for U.S. \$4.8 billion
- Biogen's acquisition of **Apellis Pharmaceuticals** for U.S. \$5.6 billion

Our expectation is that this elevated level of M&A activity will continue given Big Pharma's need for new products to offset expected patent expirations on many of Big Pharma's blockbuster drugs and continued historically favourable (i.e. low) valuations of potential biotech targets.

BIOTECH IN CHINA CONTINUES TO SHOW ADVANCEMENT AND INNOVATION

The Company's China exposure declined from approximately 9% of NAV at the start of the year to 4.7% at the year end. This reduction partly reflected the broad correction in the Chinese biotech sector during the latter half of the fiscal year following strong prior year performance, as well as a decision to allocate more to U.S. biotech in the second half of the fiscal year to capture the recovery in that segment of the biotech universe.

Chinese biotech companies have shown their ability to develop drugs faster and more cheaply than their Western counterparts, and they are rapidly approaching the drug development productivity of the United States. Approximately 30% of new clinical trial starts in the global biopharmaceutical industry are now conducted by Chinese companies, exceeding Europe and rapidly approaching the 35% market share of the U.S. A new business model has emerged in which a multinational pharmaceutical company in-licenses ex-China rights for an innovative drug from a Chinese biotech company which has conducted early clinical trials in China to demonstrate initial efficacy and safety.

The pharmaceutical company then conducts the large registrational trials in a Western population (required by the FDA) and if successful, markets the drug globally (ex-China). As shown in Figure 5 (on page 17 of the Annual Report), the number of such licensing deals has increased dramatically over the past five years, with upfront payments that can exceed \$1 billion. In March, China officially upgraded biotech to an “emerging pillar industry” in its latest government work report, meaning biotech is now deemed a critical industry for national economic growth. As such, we believe Chinese government support and prioritisation of its domestic biotech industry will continue.

OrbiMed is uniquely positioned to take advantage of opportunities in Chinese biotech given our three analysts based in our Shanghai and Hong Kong offices who can conduct on-the-ground due diligence and source investment opportunities in the region. Due to our local presence, OrbiMed may have the

ability to secure preferential allocations to attractive Chinese biotech IPOs. Two examples include GenFleet Therapeutics, a Chinese oncology company whose shares rose 64% in local currency terms from its IPO price to fiscal year end, and Leads Biolabs, another Chinese oncology company which delivered a 111% gain in local currency from its IPO price to fiscal year end.

SCIENTIFIC INNOVATION REMAINS CORE TO SECTOR PERFORMANCE

Innovation remains strong across the biotechnology space with multiple medical breakthroughs achieved in the period. Our preference is to invest in companies developing either a first-in-class or a best-in-class drug. Innovations addressing unmet medical needs can command premium pricing and generate significant share price appreciation for the companies involved.

Some examples of groundbreaking developments that have occurred in the sector during the year ending 31 March 2026 include:

- United Therapeutics reported two positive Phase 3 trials for Tyvaso, its inhaled prostacyclin analogue, for the treatment of idiopathic pulmonary fibrosis (IPF), a chronic progressive lung disease characterised by the gradual scarring and stiffening of the lungs. Tyvaso could potentially be the first inhaled medicine in 2027 approved for IPF.
- Roivant Sciences reported positive Phase 3 results for its first-in-class Jak1/Tyk2 inhibitor brepocitinib, a once-daily oral therapy for the treatment of dermatomyositis. The drug showed benefits on both skin and muscle symptoms over 52 weeks. If approved, brepocitinib will be the first oral medicine for dermatomyositis patients.
- Cogent Biosciences reported positive Phase 3 data for its KIT inhibitor, the first trial to show a progression free survival benefit in 20 years in second-line metastatic gastrointestinal stromal tumours (GIST). Cogent has recently completed its submission of the drug for review under the Real Time Oncology Review (RTOR) pathway, which should expedite its review. If approved, it would be available to patients by the end of 2026.
- Mineralys Therapeutics reported two highly statistically significant pivotal trials for lorundrostat, its aldosterone synthase inhibitor for resistant hypertension, demonstrating a reduction of blood pressure in patients that were not controlled by conventional therapy.
- Abivax SA's obefazimod, a miR-124 enhancer, demonstrated significant clinical remission versus placebo in two Phase 3 trials in patients with ulcerative colitis. If approved, the drug would be a first-in-class treatment in a multi-billion dollar market.
- Praxis' ulixacalitamide, a T-type calcium channel inhibitor, reported a highly successful Phase 3 trial demonstrating disease improvement in patients suffering from essential tremor. If approved, ulixacalitamide would be the first new medicine approved for essential tremor in over 50 years.

STRATEGY AND OUTLOOK

Despite the strong performance of the Company during the year, we believe we are still in the early stages of a sustained recovery. The biotechnology sector, after years of underperformance, has still not recovered to its early 2021 highs. Many of the macroeconomic and political overhangs that weighed on the sector in the early part of the year, including tariffs and drug pricing, have mostly been resolved. Scientific innovation fuelling medical advancements remains robust. Biotechnology companies continue to develop first-in-class drugs addressing unmet medical needs. The rate of drug approvals remains strong, and FDA leadership is motivated to accelerate drug approval timelines even further. The M&A environment remains robust and with large pharma companies continuing to face upcoming patent expiration on key products, we believe they will continue to look to smaller biotech companies to augment their revenue growth.

Our positioning will remain heavily tilted towards small and mid-cap biotech companies because they are delivering the majority of the innovation in the sector and remain undervalued relative to their large-cap peers. At present, we are finding better opportunities in pre-revenue companies rather than commercial companies. We believe this segment offers the best opportunity for the capital markets to reward medical breakthroughs when they are achieved. Gearing should remain in the 5-10% range. We will selectively invest in Chinese biotech as opportunities present themselves while being mindful of the broader geopolitical landscape. At the time of writing, the geopolitical situation in the Middle East is causing macroeconomic headwinds for the broader financial markets. We believe that biotech will remain largely isolated from these impacts and are optimistic that the Company can deliver continued outperformance.

OrbiMed Advisors LLC
Portfolio Manager

2 June 2026

BUSINESS REVIEW

The Strategic Report contains a review of the Company's business model and strategy, an analysis of its performance during the financial year and its future developments, as well as details of the principal risks and challenges it faces.

Its purpose is to inform shareholders and help them to assess how the Directors have performed their duty to promote the success of the Company. The Strategic Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the date of this report. Such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying such forward-looking information.

BUSINESS MODEL

The Biotech Growth Trust PLC is an externally managed investment trust and its shares are admitted to the closed-ended investment funds category of the FCA's Official List and to trading on the main market of the London Stock Exchange.

The purpose of the Company is to achieve long-term growth in its shareholders' wealth by providing a vehicle for investors to gain exposure to a portfolio of worldwide biotechnology companies, through a single investment.

The Company's strategy is to create value for shareholders by addressing its investment objective. As an externally managed investment trust, all of the Company's day-to-day management and administrative functions are outsourced to service providers. As a result, the Company has no executive directors, employees or internal operations.

The Company employs Frostrow Capital LLP (Frostrow) as its Alternative Investment Fund Manager (AIFM), OrbiMed Capital LLC (OrbiMed) as its Portfolio Manager, J.P. Morgan Europe Limited as its Depositary and J.P. Morgan Securities LLC as its Custodian and Prime Broker. Further details about their appointments can be found in the Report of the Directors.

The Board is responsible for all aspects of the Company's affairs, including setting the parameters for and monitoring the investment strategy as well as the review of investment performance and policy.

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been approved by HM Revenue & Customs as an investment trust (for the purposes of Section 1158 of the Corporation Tax Act 2010). As a result, the Company is not liable for taxation on capital gains. The Directors believe that approval will continue to be retained. The Company is not a close company for taxation purposes.

INVESTMENT OBJECTIVE AND POLICY

The Company seeks capital appreciation through investment in the worldwide biotechnology industry.

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.

In connection with the investment policy, the following guidelines apply:

- The Company will not invest more than 10%, in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange, except where the investment companies themselves have stated investment policies to invest no more than 15% of their gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.
- The Company will not invest more than 15%, in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.
- 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.
- The Company will not invest more than 10% of the value of its gross assets in unquoted investments at the time of acquisition. This limit includes any investment in private equity funds managed by the Portfolio Manager or any affiliates of such entity.

- The Company may invest or commit for investment a maximum of U.S.\$15 million, after the deduction of proceeds of disposal and other returns of capital, in private equity funds managed by the Portfolio Manager, or any affiliates thereof.
- The Company's borrowing policy is that borrowings will not exceed 20% of the value of the Company's net assets. Any loan facility in place from time to time may be drawn by the Portfolio Manager overseen by the AIFM.
- The Company may be unable either to invest directly or invest efficiently in certain countries or share classes. In these circumstances, the Company may gain exposure by investing indirectly through swaps or other derivative instruments where it is more efficient to do so. Exposure to underlying investments thus obtained will count towards and be subject to the investment limits set out above. Further, where the Company invests via swaps or derivatives for such a purpose, exposure to these financial instruments will count towards and be subject to the limits on the use of derivatives and equity swaps set out below.
- In line with the Investment Objective, derivatives are employed, when appropriate, in an effort to enhance returns and to improve the risk-return profile of the Company's portfolio. The Board has set the following limits within which derivative exposures are managed:
 - Derivative transactions (excluding equity swaps) can be used to mitigate risk and/or enhance return and will be restricted to an aggregate net exposure of 5 per cent. of the value of the gross assets measured at the time of the relevant transaction;
 - Equity swaps may be used for efficient portfolio management purposes and aggregate net counterparty exposure through a combination of derivatives (as set out in the previous bullet point) and equity swap transactions is restricted to 12 per cent. of the value of the gross assets of the Company at the time of the transaction.

In accordance with the requirements of the Financial Conduct Authority, any material change to the investment policy will only be made with the approval of shareholders by ordinary resolution.

INVESTMENT STRATEGY

The achievement of the Investment Objective has been delegated to OrbiMed by Frostrow (as AIFM) under the Board's and Frostrow's supervision and guidance.

Details of OrbiMed's investment strategy and approach are set out in the Portfolio Manager's Review. While performance is measured against the Benchmark, the Board encourages OrbiMed to manage the portfolio without regard to the Benchmark and its make-up.

While the Board's strategy is to allow flexibility in managing the investments, in order to manage investment risk it has imposed various investment, gearing and derivative guidelines and limits, within which Frostrow and OrbiMed are required to manage the investments, as set out in the Investment Policy.

PERFORMANCE MEASUREMENT

The Board measures OrbiMed's performance against the NASDAQ Biotechnology Index (total return, net of withholding tax, sterling adjusted). The Board also monitors the Company's performance against its AIC sector peer group.

DIVIDEND POLICY

The Company invests with the objective of achieving capital growth and it is expected that dividends, if any, are likely to be small. The Board intends only to pay dividends on the Company's shares to the extent required in order to maintain the Company's investment trust status.

No dividends were paid or declared during the year (2025: None).

CONTINUATION OF THE COMPANY

An opportunity to vote on the continuation of the Company is given to shareholders every five years. Shareholders voted in favour of the Company's continuation last year, however the Board will propose a one-off, interim continuation vote at the AGM in 2028, two years before the next regular vote is scheduled. The additional vote is intended to provide an earlier opportunity for shareholders to reassess the Company's progress.

COMPANY PROMOTION

The Company has appointed Frostrow to provide marketing and investor relations services, in the belief that a well-marketed investment company is more likely to grow over time, have a more diverse, stable

list of shareholders and its shares will trade closer to the net asset value per share over the long term. Frostrow actively promotes the Company in the following ways:

Engaging regularly with institutional investors, discretionary wealth managers and a range of execution-only platforms: Frostrow regularly meets with institutional investors, discretionary wealth managers and execution-only platform providers to discuss the Company's strategy and to understand any issues and concerns, covering both investment and corporate governance matters;

Making Company information more accessible: Frostrow works to raise the profile of the Company by targeting key groups within the investment community, holding periodic investment seminars, commissioning and overseeing PR output and managing the Company's website and wider digital offering, including Portfolio Manager videos and social media;

Disseminating key Company information: Frostrow performs the Investor Relations function on behalf of the Company and manages the investor database. Frostrow produces all key corporate documents, distributes monthly fact sheets, annual and half yearly reports and updates from OrbiMed on the portfolio and market developments; and

Monitoring market activity, acting as a link between the Company, shareholders and other stakeholders: Frostrow maintains regular contact with sector broker analysts and other research and data providers, and conducts periodic investor perception surveys, liaising with the Board to provide up-to-date and accurate information on the latest shareholder and market developments.

The Board has also appointed Kepler Partners to produce, publish and promote research covering the Company. As part of their appointment, Kepler produce podcasts, videos and webinars featuring the Company, aimed in particular at retail investors.

KEY PERFORMANCE INDICATORS (KPIs)

The Board assesses the Company's performance in meeting its objective against the following KPIs:

- net asset value total return;
- share price total return;
- share price discount to net asset value per share; and
- ongoing charges.

A full description of the Company's performance is provided in the Chair's Statement and the Portfolio Manager's Review. The KPIs have not changed from the prior year:

NET ASSET VALUE PER SHARE TOTAL RETURN^

The Directors regard the Company's net asset value per share total return as being the overall measure of value generated by the Portfolio Manager over the long term. The Board considers the principal comparator to be the NASDAQ Biotechnology Index (total return, net of withholding tax, sterling adjusted). OrbiMed's investment style is such that performance is likely to deviate from that of the Benchmark.

During the year under review, the Company's net asset value per share total return was 73.4%, outperforming the Benchmark by 38.4% (2025: -24.4%, underperforming the Benchmark by 18.4%). Since OrbiMed's date of appointment (19 May 2005) to 31 March 2026, the Company's net asset value per share total return is 1,320.3% compared with 1,215.0% for the Benchmark.

SHARE PRICE TOTAL RETURN^

The Directors also regard the Company's share price total return to be a key indicator of performance. This reflects the Company's share price growth which the Board recognises is important to investors.

During the year under review the Company's share price total return was 67.1% (2025: -24.2%). Since OrbiMed's date of appointment (19 May 2005) to 31 March 2026, the Company's share price total return is 1,236.9% compared with Benchmark performance of 1,215.0%.

SHARE PRICE (DISCOUNT)/PREMIUM TO NET ASSET VALUE PER SHARE^

The Board regularly reviews the level of the discount/ premium of the Company's share price to the net asset value per share and considers ways in which share price performance may be enhanced, including the effectiveness of marketing, share issuance and buybacks, where appropriate. The Board has a discount control policy in place, the aim of which is to prevent the level of the share price discount to the net asset value per share exceeding 6%. Shareholders should note, however, that it remains possible for the discount to be greater than 6% for a period of days or indeed longer, particularly in

volatile or muted markets. However, the Company remains committed to protecting a 6% share price discount over the longer term. 7,183,277 shares were repurchased by the Company during the year (2025: 6,374,607).

^ Alternative Performance Measure.

When the Company's shares trade at a premium to the net asset value per share, new shares can be issued at a premium to the net asset value per share.

The Board believes that the benefits of issuing new shares in such conditions are as follows:

- to fulfil excess demand in the market in order to help manage the premium to the net asset value per share at which the Company's shares trade;
- to provide a small enhancement to the net asset value per share of existing shares through new share issuance at a premium to the estimated net asset value per share;
- to grow the Company, thereby spreading operating costs over a larger capital base, which should reduce the ongoing charges ratio; and
- to improve liquidity in the market for the Company's shares.

As the Company's shares traded at a discount to the net asset value per share throughout the year, no new shares were issued during the year (2025: Nil).

The volatility of the net asset value per share in an asset class such as biotechnology is a factor over which the Board has no control. The making and timing of any share buybacks or share issuance is at the absolute discretion of the Board.

ONGOING CHARGES[^]

Ongoing charges represent the costs that the Company can reasonably expect to pay from one year to the next, under normal conditions. The Board continues to be conscious of expenses and seeks to maintain a sensible balance between high quality service and costs. The Board therefore considers the ongoing charges ratio to be a KPI and reviews the figure on a regular basis.

As at 31 March 2026 the ongoing charges figure was 1.2% (2025: 1.1%).

[^] Alternative Performance Measure.

RISK MANAGEMENT

The Board is responsible for managing the risks faced by the Company. Through delegation to the Audit Committee, the Board has established procedures to manage risk, to review the Company's internal control framework and to establish the level and nature of the principal risks the Company is prepared to accept in order to achieve its long-term strategic objective. The Audit Committee has carried out a robust assessment of the principal and emerging risks with the assistance of Frostrow (the AIFM). A risk management process has been established to identify and assess risks, their likelihood and the possible severity of their impact. Further information is provided in the Audit Committee Report. These principal risks are set out below with a high level summary of their management through mitigation and arrows to indicate any change in the Board's assessment during the year.

PRINCIPAL RISKS AND UNCERTAINTIES

MANAGEMENT/MITIGATION

MARKET RISK

The Company's portfolio is exposed to fluctuations in market prices (changes in broad market measures, individual security prices and foreign exchange rates) in the biotechnology sector and the regions in which it invests, which may result in a reduction in assets due to market falls and higher volatility.

The biotechnology sector has historically been more volatile than other equity sectors, reflecting factors inherent in biotech companies, including emerging technologies, uncertainty of drug approval outcomes, regulatory and pricing policy.

More generally, geopolitical and economic uncertainties have affected markets globally and are likely to continue to do so. These include the instability caused by the administration in the USA, including the consequences of trade wars and tariffs, the continued

To an extent, this risk is accepted as being inherent to the Company's activities. However, the Board has set limits in the investment policy which ensure the portfolio is diversified. Compliance with the limits and guidelines contained in the Company's investment policy is monitored daily by Frostrow and OrbiMed and reported monthly to the Board.

OrbiMed report at each Board meeting on the Company's performance including the impact of wider market trends and events.

The Portfolio Manager spreads investment risk over a wide portfolio of investments. At the year end the Company's portfolio comprised investments in 67 companies.

As part of its review of the going concern and long-term viability of the Company, the Board considers the sensitivity of the portfolio to changes in market prices and foreign exchange rates (see note 15 to the financial statements) and the ability of the Company to liquidate its portfolio if the need arose. Further details are included in the Going Concern and Viability Statements.

PRINCIPAL RISKS AND UNCERTAINTIES

impact of the war in Ukraine and the effect of sanctions against Russia, tensions between the US/West and China, and conflicts in the Middle East. Broad economic risks include prolonged inflation and elevated interest rates, slowing global economic growth and the fear or presence of recession.

New regulations designed to combat climate change and uncertainties associated with shifts in population and resource availability/ demand may also have an impact on global markets. In addition, climate change events could have an impact on the business models of the portfolio companies and their operations.

PORTFOLIO PERFORMANCE

Investment performance may not achieve the Investment Objective and the value of the investments held in the portfolio may fall materially out of line with the sector.

The Portfolio Manager's approach is expected to lead to performance that will deviate from comparators, including both market indices and other investment companies investing in the biotechnology sector.

MANAGEMENT/MITIGATION

The Board monitors and challenges the Portfolio Manager's awareness of emerging climate change risks and the resources they have devoted to assessing climate risks.

The Board is conscious that climate change poses a general risk to the investment environment and, through discussions with the Portfolio Manager, has noted that the biotechnology industry is not a major contributor to greenhouse gas emissions. For this reason, the Portfolio Manager does not consider climate change to be a material ESG consideration when engaging with investee companies. However energy management is noted as a material concern in the wider healthcare and pharmaceutical sectors, and this forms part of OrbiMed's ESG monitoring.

The Portfolio Manager has responsibility for selecting investments in accordance with the Investment Objective and Policy and seeks to ensure that investments in individual stocks fall within acceptable risk levels.

To manage this risk, the Board:

- reviews and challenges, at each Board meeting, reports from OrbiMed which cover portfolio composition, asset allocation, concentration and performance;
- reviews investment performance over the long term against the Benchmark and the Company's peer group; and
- formally reviews OrbiMed's appointment, including their performance, service levels and contractual arrangements, each year.

SHARE PRICE PERFORMANCE

The Company's share price fluctuates in accordance with supply and demand and may not reflect the underlying NAV per share; where the share price is less than the underlying NAV per share, the difference is known as the "discount".

Share price performance may be influenced not only by Company - specific factors but also by investor sentiment towards the investment trust sector as a whole and its relative attractiveness compared with other investment vehicles. A sustained lack of demand for the investment trust sector, or for the Company's shares, may result in a widening discount. Persistently poor share price performance or a wider discount may attract activist shareholders and/or result in increased share buybacks which, over time, may significantly reduce the Company's assets.

To manage this risk, the Board:

- regularly reviews the level of the share price discount/premium to the net asset value per share and considers ways in which share price performance may be enhanced, including the effectiveness of marketing and investor relations services, new share issuance and share buybacks, as appropriate;
- has implemented a discount management policy, buying back the Company's shares when the level of the share price discount to the net asset value per share exceeds 6% (in normal market conditions);
- may issue shares at a premium to the net asset value per share to help prevent a share price premium reaching too high a level;
- engages with shareholders at the AGM, investor meetings and seminars, and other events;
- reviews an analysis of the shareholder register at each Board meeting and is kept informed of shareholder sentiment by the AIFM and the Company's corporate stockbroker; and
- regularly discusses the Company's future development and strategy with the Portfolio Manager and the AIFM.

**PRINCIPAL RISKS AND
UNCERTAINTIES****MANAGEMENT/MITIGATION****CYBER RISK**

Cyber crime may lead to the disruption or failure of systems covering dealing, trade processing, administrative services, financial and other operational functions.

The Board relies on controls in place at OrbiMed, Frostrow, J.P. Morgan, MUFG Corporate Markets and other third-party service providers.

The Audit Committee reviews the internal controls reports of the principal service providers, as well as their data storage and information security arrangements.

PRINCIPAL RISKS AND UNCERTAINTIES

MANAGEMENT/MITIGATION

KEY PERSON RISK

The risk that the individuals responsible for managing the Company's portfolio may leave their employment or may be prevented from undertaking their duties.

The Board manages this risk by:

- appointing OrbiMed, who in turn have appointed Geoff Hsu and Josh Golomb to manage the Company's portfolio. Mr Hsu and Mr Golomb are supported by a team of researchers and analysts dedicated to the biotechnology sector;
- receiving reports from OrbiMed at each Board meeting, which include any significant changes in the make-up of the team supporting the Company;
- meeting the wider team at OrbiMed's offices and encouraging the participation of the wider OrbiMed team in investor updates; and
- delegating to the Management Engagement Committee the responsibility to perform an annual review of the service received from OrbiMed, including, *inter alia*, the team supporting the portfolio managers and their succession plans.

VALUATION RISK

Pursuant to the Investment Policy, the Company may invest up to 10% of its gross assets in unquoted investments at the time of acquisition. The valuation of unquoted assets involves a degree of subjectivity and there is a risk that proceeds received on the disposal of unquoted holdings may prove to be significantly lower than the value at which the investment is held in the Company's portfolio.

Unquoted investments comprised 0.5% of the Company's portfolio at the year end. Any directly held unquoted investments are valued by an independent, third-party valuation agent. The Board has established a Valuation Committee to review the valuations of the unquoted investments and the methodologies used in the valuations. The valuations are recommended to the Committee by Frostrow, the Company's AIFM, following review by its own valuations committee. The Valuation Committee makes recommendations to the Board, as appropriate. Further information can be found in the Audit Committee Report and note 1 to the financial statements.

COUNTERPARTY RISK

The Company is exposed to credit risk arising from the use of counterparties. If a counterparty were to fail, the Company could be adversely affected through either a delay in settlement or a loss of assets.

The most significant counterparty to which the Company is exposed is J.P. Morgan Securities LLC (J.P. Morgan), the Custodian and Prime Broker, which is responsible for the safekeeping of the Company's assets and provides the loan facility to the Company. As part of the arrangements with J.P. Morgan they may take assets as collateral up to 140% of the value of the loan drawn down. The assets taken as collateral by J.P. Morgan may be used, loaned, sold, rehypothecated or transferred. The level of the Company's gearing is at the discretion of the AIFM and the Board and the loan facility can be repaid at any time, at which point the assets taken as collateral will be released back to the Company. Any of the Company's assets taken as collateral are not covered by the custody arrangements provided by J.P. Morgan.

J.P. Morgan is a registered broker-dealer and is accordingly subject to limits on rehypothecation imposed by the U.S. Securities and Exchange Commission (SEC). In the event of J.P. Morgan's insolvency, the Company may be unable to recover in full assets held by it as Custodian or held as collateral.

The risk is managed through the selection of a financially stable counterparty, limitations on the use of gearing and

PRINCIPAL RISKS AND UNCERTAINTIES

MANAGEMENT/MITIGATION

reliance on the SEC's robust regulatory regime. In addition, the Board monitors the credit rating of J.P. Morgan.

J.P. Morgan is also subject to regular monitoring by J.P. Morgan Europe Limited, the Depositary, and the Board receives regular reports from the Depositary.

During the year the Company entered into swap transactions with Goldman Sachs International, however there were no equity swaps in the portfolio at the year end.

Further information can be found in note 15 to the financial statements.

OPERATIONAL DISRUPTION

As an externally managed investment trust, the Company is reliant on the systems of its service providers for dealing, trade processing, administration, financial and other functions. If such systems were to fail or be disrupted (including, for example, as a result of a pandemic, war, network disruption or simply poor performance/ controls) this could prevent accurate reporting of the Company's financial position or lead to a failure to comply with applicable laws, regulations and governance requirements and/or to a financial loss.

To manage these risks, the Board (in some cases the Audit Committee):

- periodically meets representatives from the Company's key service providers to gain a better understanding of their control environment, and the processes in place to mitigate any disruptive events;
- receives a monthly report from Frostrow, which includes, *inter alia*, confirmation of compliance with applicable laws and regulations;
- reviews the internal control reports and key policies (including disaster recovery procedures and business continuity plans) of its service providers;
- maintains a risk matrix with details of risks to which the Company is exposed, the approach to managing those risks, the key controls and the frequency of the controls operation;
- receives updates on pending changes to the regulatory and legal environment and progress towards the Company's compliance with such changes; and
- has considered the increased risk of cyber-attacks and received reports and assurance from its service providers regarding the information security controls in place.

EMERGING RISKS

The Directors have carried out a robust assessment of the Company's emerging risks and the procedures in place to identify emerging risks are described below. The International Risk Governance Council definition of an 'emerging' risk is one that is new, or is a familiar risk in a new or unfamiliar context or under new context conditions (re-emerging).

The Audit Committee reviews a risk schedule at each of its three meetings during the year. Emerging risks are discussed in detail as part of this process and also throughout the year to try to ensure that emerging (as well as established) risks are identified and, so far as practicable, mitigated.

NEW MARKET RISKS

During the year, the Audit Committee identified and discussed emerging elements of market risk such as regulatory uncertainty and the instability caused by the administration in the USA, including the consequences of trade wars, tariffs, constraints on pharmaceutical pricing and the possible rise of the anti-vaccine movement which may affect the biotechnology sector in general.

NEW CYBER RISKS

The Committee observed that cyber risks continue to evolve, with new threats emerging at an accelerated pace, as demonstrated by a series of high-profile cyber attacks in the retail sector.

ARTIFICIAL INTELLIGENCE

The Committee considered that the development of artificial intelligence, as well as providing significant investment opportunities, may also be exploited or used in ways that may adversely impact the Company's operations, competitive position, or compliance environment.

These risks will continue to be monitored and managed as set out in the Market Risk and Cyber Risk descriptions above.

GOING CONCERN

The financial statements have been prepared on a going concern basis. The Directors consider this is the appropriate basis as the Company has adequate resources to continue in operational existence until at least 2 June 2027, being 12 months from the date this report was approved. The Company's portfolio, trading activity, cash balances, revenue and expense forecasts, and the trends and factors likely to affect the Company's performance are reviewed and discussed at each Board meeting. The Board has considered a detailed assessment of the Company's ability to meet its liabilities as they fall due, including stress tests which modelled the effects of substantial falls in portfolio valuations and liquidity constraints on the Company's financial position. Further information is provided in the Audit Committee report.

Based on the information available to the Directors at the date of this report, including the results of these stress tests, the conclusions drawn in the Viability Statement below, the Company's current cash balances, and the liquidity of the Company's investments, the Directors are satisfied that the Company has adequate financial resources to continue in operation until at least 2 June 2027, being 12 months from the date this report was approved. Accordingly, the Directors are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

VIABILITY STATEMENT

The Directors have carefully assessed the Company's position and prospects as well as the principal risks and have formed a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five financial years.

To make this assessment and in reaching this conclusion, the Audit Committee has considered the Company's financial position, its ability to liquidate its portfolio and meet its liabilities as they fall due and, in particular, notes the following:

- The portfolio is principally comprised of investments traded on major international stock exchanges. Based on recent market volumes 96.4% of the current portfolio could be liquidated within seven trading days. There is no expectation that the nature of the investments held within the portfolio will be materially different in future.
- The Board has considered the viability of the Company under various scenarios, including periods of acute stock market and economic volatility, and concluded that it would expect to be able to ensure the financial stability of the Company through the benefits of having a diversified portfolio of (mostly) listed and realisable assets. As illustrated in note 15 to the financial statements, the Board has considered other 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 market interest rates).
- With an ongoing charges ratio of 1.2%, the expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments foreseen which would alter that position.
- The Company has a short-term loan facility which can be used to meet its liabilities. Details of the Company's current liabilities are set out in note 12 to the financial statements.
- The Company has no employees. Consequently it does not have redundancy or other employment related liabilities or responsibilities.

The Audit Committee, as well as considering the potential impact of the Company's principal risks and various severe but plausible downside scenarios, has made the following assumptions in considering the Company's longer-term viability:

- There will continue to be demand for investment trusts;

- The Company invests principally in the securities of listed companies traded on international stock exchanges to which investors will wish to continue to have exposure;
- Shareholders will vote for the continuation of the Company at the Annual General Meeting to be held in July 2028. At the current time, the Directors have a reasonable expectation that the next vote will be passed;
- The closed-ended nature of the Company means that, unlike open-ended funds, it does not need to realise investments when shareholders wish to sell their shares;
- The Company will continue to be able to fund share buybacks when required. The Company bought back 7,183,277 ordinary shares in the year under review at a total cost of £69.5 million and experienced no problem with liquidity in doing so. It had shareholders' funds in excess of £281.9 million at the year end; and
- The long-term performance of the Company will continue to be satisfactory.

STAKEHOLDER INTERESTS AND BOARD DECISION-MAKING (SECTION 172 OF THE COMPANIES ACT 2006)

The following disclosure, which is required by the Companies Act 2006 and the AIC Code of Corporate Governance, describes how the Directors have had regard to the views of the Company's stakeholders in their decision-making.

STAKEHOLDER GROUP	HOW THE BOARD HAS ENGAGED WITH THE COMPANY'S STAKEHOLDERS
Investors	<p>The Board's key mechanisms of engagement with investors include:</p> <ul style="list-style-type: none"> • The Annual and Half-yearly Reports • The Annual General Meeting • The Company's website which hosts reports, articles and insights, monthly fact sheets and video interviews with the Portfolio Manager • The Company's distribution list which is maintained by Frostrow and is used to communicate with shareholders on a regular basis • Online and in person seminars with presentations from the Portfolio Manager • One-to-one investor meetings <p>The AIFM and the Portfolio Manager, on behalf of the Board, completed a programme of investor relations throughout the year, reporting to the Board on the feedback received. This includes meetings with wealth managers and independent financial advisers, as well as preparing the documents and organising the events listed above. The Board aims for at least one Director to attend the in person and online events at which the Portfolio Manager presents to investors.</p>
Portfolio Manager	<p>The Board met regularly with the Portfolio Manager throughout the year, both formally at quarterly Board meetings and informally, as required. The Board engaged primarily with key members of the portfolio management team, discussing the Company's overall performance as well as developments at individual portfolio companies and wider macroeconomic developments. The Directors visited OrbiMed's offices in New York during the year, to review the investment strategy, conduct ongoing due diligence and meet with the OrbiMed team in person.</p> <p>The Management Engagement Committee reviewed the performance of the Portfolio Manager and the terms and conditions on which they are engaged.</p>
Other Service Providers	<p>The Board met regularly with the AIFM, representatives of which attend every quarterly Board meeting to provide updates on risk management, accounting, administration, corporate governance and marketing matters.</p>

The Management Engagement Committee reviewed the performance of all the Company's service providers, receiving feedback from Frostrow in their capacity as AIFM and Company Secretary. The AIFM, which is responsible for the day-to-day operational management of the Company, meets and interacts with the other service providers including the Depositary, Custodian and Registrar, on behalf of the Board, on a daily basis. This can be through email, one-to-one meetings and/or regular written reporting.

The Audit Committee reviewed the quality and effectiveness of the audit and recommended to the Board that it be proposed to shareholders that BDO LLP (BDO) be re-appointed as Auditor. The Audit Committee also met with BDO to review the audit plan and set their remuneration for the year.

As an externally managed investment trust, the Company has no employees, customers, operations or premises. Therefore, the Company's key stakeholders (other than its shareholders) are considered to be its service providers. The need to foster good business relationships with the service providers and maintain a reputation for high standards of business conduct are central to the Directors' decision-making as the Board of an externally managed investment trust.

KEY AREAS OF ENGAGEMENT	MAIN DECISIONS AND ACTIONS TAKEN
<ul style="list-style-type: none"> • Ongoing dialogue with shareholders concerning the strategy of the Company, performance and the portfolio. • Share price performance. • Operation of the discount management policy • Portfolio performance measurement • The continuation of the Company 	<p>The Board and the Portfolio Manager provided updates via RNS, the Company's website, the distribution list and the usual financial reports and monthly fact sheets.</p> <p>The Board continued to monitor share price movements closely. When the discount of the share price to the net asset value per share exceeded 6%, the Company sought to buy back shares in the market. As a result, 7,183,277 shares were bought back during the year. No shares were issued at a premium to the net asset value per share during the year. Having nearly exhausted the authority granted at the 2025 AGM, the Board asked shareholders to renew the Company's authority to buy back shares in the market at a General Meeting held on 12 November 2025. Shareholders approved the proposal with 99.7% of the votes cast in favour.</p> <p>The Board engaged with shareholders ahead of and following the continuation vote, which was passed at the AGM in July 2025.</p>
<ul style="list-style-type: none"> • Portfolio composition, performance, outlook and business updates. • The Portfolio Manager's system of internal controls and investment risk management. 	<p>The Board agreed that high standards of research had been maintained and the Portfolio Manager's strategy had been implemented consistently. It was noted that performance had improved considerably and the Board agreed that the Portfolio Manager's investment process remained robust. Therefore, the Board concluded that it was in the interests of shareholders for OrbiMed to continue in their role as Portfolio Manager.</p> <p>The Audit Committee concluded that the Portfolio Manager's internal controls were satisfactory. Please refer to the Audit Committee Report, for further information.</p>
<ul style="list-style-type: none"> • The promotion and marketing strategy of the Company. • Service providers' internal controls. • The effectiveness of the audit and the Auditor's reappointment. • The terms and conditions under which the Auditor is engaged. 	<p>The Board concluded that it was in the interests of shareholders for Frostrow to continue in their role as AIFM.</p> <p>The Board agreed that the Company's other service providers continued to perform satisfactorily and should continue in their roles.</p> <p>The Board approved the Audit Committee's recommendation to propose to shareholders that BDO LLP be re-appointed as the Company's auditor for a further year. Please refer to the Audit Committee Report and the Notice of AGM beginning for further information.</p>

ENVIRONMENTAL, SOCIAL, COMMUNITY AND HUMAN RIGHTS MATTERS

As an externally managed investment trust, the Company does not have any employees or maintain any premises, nor does it undertake any manufacturing or other physical operations itself. All its operational functions are outsourced to third-party service providers, which the Board oversees. Therefore, the Company itself has no material, direct impact on the environment or any particular community and, as a result, the Company has no environmental, human rights, social or community policies.

Under the UK Listing Rules, the Company is exempt from reporting against the Taskforce for Climate-Related Financial Disclosures (TCFD) framework. However, the Board recognises that climate change poses a general risk to the investment environment and has discussed with the Portfolio Manager the potential impact of climate change risk on the Company's investments.

The Board believes that consideration of environmental, social and governance (ESG) factors is important and has the potential to protect and enhance investment returns. The Portfolio Manager's investment criteria ensure that ESG factors are integrated into their investment process and best practice in this area is encouraged by the Board. The Portfolio Manager engages with the Company's underlying investee companies in relation to their corporate governance practices and the development of their policies on social, community and environmental matters.

The Board is committed to carrying out the Company's business in an honest and fair manner with a zero-tolerance approach to bribery, corruption, and tax evasion. As such, policies and procedures are in place to prevent this. In carrying out the Company's activities, the Board aims to conduct itself responsibly, ethically and fairly. The Board expects that the Company's principal service providers have appropriate policies in place and carries out an annual review of their arrangements.

PERFORMANCE AND FUTURE DEVELOPMENTS

A review of the Company's year, its performance and the outlook for the Company can be found in the Chair's Statement and in the Portfolio Manager's Review.

The Company's overall strategy remains unchanged.

By order of the Board

Frostrow Capital LLP
Company Secretary

2 June 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare 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 profit or loss for the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with UK-adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a directors' report, a strategic report and directors' remuneration report which comply with the requirements of the Companies Act 2006.

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 comply with the Companies Act 2006.

They 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 ensuring 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 position, performance, business model and strategy.

WEBSITE PUBLICATION

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE ANNUAL REPORT

We confirm that to the best of our knowledge:

- the financial statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets, liabilities, financial position and the return of

the Company for the year ended 31 March 2026; and

- the Annual Report includes a fair review of the development and performance of the business and the financial position of the Company, together with a description of the principal risks and uncertainties that they face.

The Directors consider the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board

Roger Yates
Chair

2 June 2026

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2026

		2026			2025		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income	2	426	–	426	1,111	–	1,111
Gains/(losses) on investments held at fair value through profit or loss	8	–	134,590	134,590	–	(77,090)	(77,090)
Foreign exchange losses		–	(461)	(461)	–	(1,553)	(1,553)
AIFM and Portfolio management fees	3	(121)	(2,293)	(2,414)	(143)	(2,729)	(2,872)
Other expenses	4	(656)	(59)	(715)	(771)	(16)	(787)
(Loss)/profit before finance costs and taxation		(351)	131,777	131,426	197	(81,388)	(81,191)
Finance costs	5	(57)	(1,082)	(1,139)	(66)	(1,259)	(1,325)
(Loss)/profit before taxation		(408)	130,695	130,287	131	(82,647)	(82,516)
Taxation	6	(32)	–	(32)	(145)	–	(145)
(Loss)/profit for the year		(440)	130,695	130,255	(14)	(82,647)	(82,661)
Basic and diluted earnings/(loss) per share	7	(1.9)p	559.9p	558.0p	0.0p	(262.3)p	(262.3)p

The Company does not have any income or expenses which are not included in the (loss)/profit for the year. Accordingly the “(loss)/profit for the year” is also the “total comprehensive (loss)/profit for the year”, as defined in IAS 1 (revised) and no separate Statement of Other Comprehensive Income has been presented.

The “Total” column of this statement represents the Company's Income Statement, prepared in accordance with UK - adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The “Revenue” and “Capital” columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

The accompanying notes are an integral part of this statement.

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Non current assets			
Investments held at fair value through profit or loss	8, 9	291,183	218,159
		291,183	218,159
Current assets			
Other receivables	10	11,063	17
Cash and cash equivalents	11	–	8,453
		11,063	8,470
Total assets		302,246	226,629
Current liabilities			
Other payables	12	8,004	5,423

Loan facility		12,319	–
		20,323	5,423
Net assets		281,923	221,206
Equity attributable to equity holders			
Ordinary share capital	13	4,982	6,778
Special reserve*		97,330	–
Share premium account*		–	79,951
Capital redemption reserve*		1,069	16,652
Capital reserve	18	179,961	118,804
Revenue reserve		(1,419)	(979)
Total equity		281,923	221,206
Net asset value per share	14	1,414.6p	815.9p

* On 19 August 2025 the sums standing to the credit of the Company's share premium account and the capital redemption reserve were cancelled and converted to a newly-created special reserve.

The financial statements were approved by the Board on 2 June 2026 and were signed on its behalf by:

Roger Yates

Chair

The accompanying notes are an integral part of this statement.

The Biotech Growth Trust PLC – Company Registration Number 03376377 (Registered in England and Wales)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	Ordinary Share capital £'000	Special reserve* £'000	Share premium account* £'000	Capital redemption reserve* £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 1 April 2025		6,778	–	79,951	16,652	118,804	(979)	221,206
Net profit/(loss) for the year		–	–	–	–	130,695	(440)	130,255
Repurchase of own shares for cancellation		(1,796)	–	–	1,796	(69,538)	–	(69,538)
Transfer of share premium account and capital redemption reserve		–	97,330	(79,951)	(17,379)	–	–	–
At 31 March 2026	13, 14	4,982	97,330	–	1,069	179,961	(1,419)	281,923

* On 19 August 2025, the sums standing to the credit of the Company's share premium account and the capital redemption reserve were cancelled and converted to a newly-created special reserve.

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Ordinary Share capital £'000	Special reserve* £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 1 April 2024		8,371	–	79,951	15,059	258,891	(965)	361,307
Net loss for the year		–	–	–	–	(82,647)	(14)	(82,661)
Repurchase of own shares for cancellation		(1,593)	–	–	1,593	(57,440)	–	(57,440)
At 31 March 2025	13, 14	6,778	–	79,951	16,652	118,804	(979)	221,206

The accompanying notes are an integral part of this statement.

See note 17 for details of the amounts of reserves available for distribution.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 £'000	2025 £'000
Operating activities			

Profit/(loss) before taxation*	130,287	(82,516)
Finance costs	1,139	1,325
(Gains)/losses on investments held at fair value through profit or loss	8 (136,730)	75,033
Foreign exchange losses	461	1,553
(Increase)/decrease in other receivables	(47)	10
Increase/(decrease) in other payables	86	(347)
Taxation paid	6 (32)	(145)
Net cash outflow from operating activities	(4,836)	(5,087)
Investing activities		
Purchases of investments	(551,687)	(429,202)
Sales of investments	611,225	545,050
Net cash inflow from investing activities	59,538	115,848
Financing activities		
Repurchase of own shares for cancellation	(73,874)	(54,483)
Finance costs – interest paid	(1,139)	(1,325)
Drawdown/(repayment) of the loan facility	11,934	(48,484)
Net cash outflow from financing activities	(63,079)	(104,292)
Net (decrease)/increase in cash and cash equivalents	(8,377)	6,469
Cash and cash equivalents at start of year	8,453	2,131
Effect of movement in foreign exchange rates on cash and cash equivalents	(76)	(147)
Cash and cash equivalents at end of year †	11	–

* Includes dividends received during the year of £290,000 (2025: £964,000) and deposit interest of £91,000 (2025: £147,000).

† Collateral cash held at Goldman Sachs £nil (2025: £1,553,000) and cash held in a liquidity fund £nil (2025: £6,913,000).

CHANGES IN NET DEBT ARISING FROM FINANCING ACTIVITIES

	2026	2025
	£'000	£'000
Balance as at 1 April	–	47,078
Drawdown/(repayment) of the loan facility	11,934	(48,484)
Foreign exchange losses	385	1,406
Loan facility balance at 31 March	12,319	–

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(A) BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The material accounting policies adopted are set out below.

The financial statements have been prepared under the historical cost convention, except for the measurement at fair value of investments and derivatives. Where presentational guidance is set out in the Statement of Recommended Practice (the SORP) for Investment Trust Companies and Venture Capital Trusts produced by the Association of Investment Companies (AIC) issued in July 2022, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP provided that the SORP does not conflict with the requirements of IFRS.

The Company's financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£'000) except when otherwise indicated.

Going concern

The Directors are required to make an assessment of the Company's ability to continue as a going concern and have concluded that the Company has adequate resources to continue in operational existence until at least 2 June 2027, being 12 months from the date these financial statements were approved.

In making this assessment, the Directors have considered a wide variety of emerging and current risks to the Company, as well as the mitigation strategies that are in place. The Board has also reviewed stress-testing and scenario analyses prepared by the AIFM. The stress tests and scenario analyses considered the effect of various downturns, based on historic bear markets, on the asset value and expenses of the Company. The tests modelled the impact of decreases of up to 50% on the value of the investment portfolio.

These tests are carried out as an arithmetic exercise, which can apply equally to any set of circumstances in which asset value and income are significantly impaired. It was concluded that even in an extreme downside scenario, the Company would be able to continue to meet its liabilities as they fell due. Whilst the economic future is uncertain, the opinion of the Directors is that there is no foreseeable downside scenario that would threaten the Company's ability to continue to meet its liabilities as they fall due.

Based on the information available to the Directors at the time of this report, including the results of the stress tests and scenario analyses, and having taken account of the liquidity of the investment portfolio, the Company's cash flow and borrowing position, the Directors are satisfied that the Company has adequate financial resources to continue in operation until at least 2 June 2027, being 12 months from the date of signing these financial statements and that, accordingly, it is appropriate to adopt the going concern basis.

Judgements and key sources of estimation and uncertainty

The preparation of the financial statements requires the Directors to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. In the process of applying the Company's accounting policies, the Directors have made the following estimates which are immaterial in relation to the unquoted investments, in the current year:

Fair value of the unquoted investments and warrant holdings estimate

The Board has established a Valuation Committee to review the valuations and the valuation methodologies of the Company's unquoted investments and the warrant holdings. The Board has approved the valuations of the unquoted investments and the warrants on the recommendation of the Valuation Committee.

The unquoted investment in OrbiMed Asia Partners L.P. has been valued using the Net Asset Value presented in the Statement of Partner's Capital Activity as at 31 December 2025, as permitted under the IPEV guidelines. The Statement of Partner's Capital Activity as at 31 March 2026 was received in May 2026 and was not materially different from the valuation at 31 December 2025. The Consolidated Financial Statements of the partnership for the year ended 31 December 2025 were audited by KPMG LLP (New Jersey Headquarters) and were approved on 27 March 2026.

The investment in New Horizon Health is classed as unquoted due to the company being delisted from the Hong Kong Stock Exchange on 27 October 2025. The company subsequently entered into liquidation and the investment is valued at £nil at the year end.

The investment in Gracell Biotechnologies contingent value rights (CVR) has also been valued by Kroll. Gracell's CVRs have been valued using the probability-weighted expected return method (PWERM), discounted for the lack of marketability.

In addition the Company holds six warrant positions in the following companies, C4 Therapeutics (2 positions), Cybin Inc, Immunic Therapeutics and Milestone Pharmaceuticals (2 positions). These warrants have been valued using the Black Scholes model, which calculates an estimate of fair value for each warrant based on certain inputs such as spot price of the underlying equity, strike price, volatilities, the risk-free interest rate and dividend yield. The most judgemental inputs are the volatility, which the Company uses Kroll, an independent valuer, to provide and time to expiration (for certain warrants where there is an optionality on expiration date), which is based on management information provided by OrbiMed. Additional information regarding the sensitivity of the fair value estimates of warrants held at year end has been provided in Note 15.

(B) INVESTMENTS

Investments consist of quoted investments, unquoted investments and derivatives and are recognised and de-recognised on the trade date.

As the Company's business is investing in financial assets with a view to profiting from their total return in the form of dividends or increases in fair value, investments are classified as fair value through profit

or loss (FVTPL) and are initially recognised at fair value. The Company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy, and information about the investments is provided internally on this basis to the Board.

Investments classified at fair value through profit or loss, which are quoted investments, are measured at subsequent reporting dates at fair value which is either the bid or the last trade price, depending on the convention of the exchange on which it is quoted.

In respect of unquoted investments, or where the market for a financial instrument is not active, fair value is established by using valuation techniques which may include using the PWERM, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models, in line with IPEV guidelines. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised.

Transfers between levels of fair value hierarchy are deemed to have occurred at the date of the event or change in circumstances that caused the transfer.

Gains and losses on disposal and fair value changes are also recognised in the Income Statement.

(C) PRESENTATION OF INCOME STATEMENT

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 Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. Net revenue 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. The requirements are to distribute net revenue but only so far as there are positive revenue reserves.

(D) INVESTMENT INCOME

Dividends receivable on equity shares are recognised on the ex-dividend date. Where no ex-dividend date is quoted, dividends are recognised when the Company's right to receive payment is established. Foreign dividends are grossed up at the appropriate rate of withholding tax, with the withholding tax recognised in the taxation charge.

Dividends from investments in unquoted shares and securities are also recognised when the Company's right to receive payment is established.

Income from fixed interest securities is recognised on a time appointment basis so as to reflect the effective interest rate.

In deciding whether a dividend should be regarded as a capital or revenue receipt, the Company reviews all relevant information as to the reasons for and sources of the dividend on a case by case basis depending upon the nature of the receipt.

Special dividends of a revenue nature are recognised through the revenue column of the Income Statement. Special dividends of a capital nature are recognised through the capital column of the Income Statement.

(E) EXPENSES AND FINANCE COSTS

All expenses are accounted for on an accruals basis. Expenses are charged through the Income Statement as follows:

- transaction costs on the acquisition or disposal of an investment are charged to the capital column of the Income Statement;
- expenses are charged to the capital column of the Income Statement where a connection with the maintenance or enhancement of the value of the investment can be demonstrated, and accordingly:
 - during the year, AIFM and Portfolio Management fees are charged 95% to the capital column of the Income Statement as the Directors expect that in the long term virtually all of the Company's returns will come from capital;
 - during the year, loan interest is charged 95% to the capital column of the Income Statement as the Directors expect that in the long term virtually all of the Company's returns will come from capital.

- performance fees are charged 100% to the capital column of the Income Statement. Performance fees are recognised as a liability of the Company when they crystallise and become due for payment. Details of the performance fee are set out on pages 45 and 46 of the Annual Report; and
- all other expenses are charged to revenue column of the Income Statement.

(F) TAXATION

In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital returns in the supplementary information in the Income Statement 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 Income Statement, then no tax relief is transferred to the capital column.

Investment trusts which have approval under Section 1158 Corporation Tax Act 2010 are not liable for taxation on capital gains.

Current tax is provided at the amounts expected to be paid or recovered.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Income Statement, except when it relates to items charged or credited directly to equity, or Other Comprehensive Income (OCI), in which case the deferred tax is also dealt with in equity or OCI respectively.

(G) FUNCTIONAL AND PRESENTATION CURRENCY

The financial information is shown in sterling, being the Company’s presentation currency. In arriving at the functional currency the Directors have considered the following:

- (i) the primary economic environment of the Company;
- (ii) the currency in which the original capital was raised;
- (iii) the currency in which distributions would be made;
- (iv) the currency in which performance is evaluated; and
- (v) the currency in which the capital would be returned to shareholders on a break up basis.

The Directors have also considered the currency to which the underlying investments are exposed and liquidity is managed. The Directors are of the opinion that sterling best represents the functional currency.

(H) RESERVES

Ordinary share capital

- represents the nominal value of the issued share capital.

Special reserve

This reserve was created upon the cancellation of the Share Premium Account on 19 August 2025; it is distributable and is used to fund any repurchases of the Company’s own shares.

Share premium account

- represents the surplus of net proceeds received from the issue of new shares over the nominal value of such shares. The Share premium account is non-distributable.

Capital redemption reserve

- a transfer will be made to this reserve on cancellation of the Company’s own shares purchased, equal to the nominal value of the shares. This reserve is non-distributable.

Capital reserves

The following are credited or charged to the capital column of the Income Statement and then transferred to the Capital Reserve:

- gains or losses on disposal of investments;
- exchange differences of a capital nature;
- expenses allocated to this reserve in accordance with the above policies;
- increases and decreases in the valuation of investments held at year-end; and
- shares which have been bought back by the Company for cancellation.

Realised Capital Reserves, including the unrealised gains/losses from investments readily convertible to cash, are distributable by way of a dividend.

Revenue reserve

- reflects all income and expenditure recognised in the revenue column of the Income Statement. Amounts standing to the credit of the Revenue Reserve are distributable by way of dividend.

(I) OPERATING SEGMENTS

IFRS 8 requires entities to define operating segments and segment performance in the financial statements based on information used by the Board of Directors. The Directors are of the opinion that the Company is engaged in a single segment of business, being the investment business. The results published in this report therefore correspond to this sole operating segment.

(J) FINANCIAL INSTRUMENTS INCLUDING DERIVATIVE FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Company's contractual right to the cash flows from the asset expires or substantially all the risks and rewards of ownership are transferred. Financial liabilities are derecognised when the contractual obligation is discharged, with gains and losses recognised in the income statement.

The Company uses derivative financial instruments, namely equity swaps and warrants. All derivative instruments are valued initially, and at subsequent reporting dates, at fair value in the Statement of Financial Position, with changes in fair value recognised in the Income Statement. The Company holds derivatives for investing purposes.

The equity swaps are accounted for as non-current assets or current liabilities.

(K) CASH AND CASH EQUIVALENTS

Cash and cash equivalents are defined as cash in hand, demand deposits and short-term deposits with a maturity of three months or less, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

(L) ADOPTION OF NEW AND REVISED STANDARDS

Standards and amendments to existing standards effective 1 April 2025

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 April 2025:

- **IAS 21 – Lack of exchangeability.** The IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

This amendment did not have any impact on the amounts recognised in either current or prior years.

New standards, amendments and interpretations effective after 1 April 2026 which have not been early adopted

The below new amendment and interpretations will become effective for annual periods beginning after 1 April 2026:

- **IFRS 9 and IFRS 7 – Classification and measurement of financial instruments** (effective 1 January 2026).

The amendments address the following:

- The classification of financial assets.
- Provide guidance on the assessment of whether contractual cash flows are consistent with a basic lending arrangement. It is primarily to address stakeholder concerns on the classification of financial assets with environmental, social and corporate governance (ESG) and similar features.
- Financial assets with non-recourse features: Clarify for a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets.
- Contractually linked instruments: Clarify the characteristics of contractually linked instruments and some transactions that may contain multiple debt instruments and appear to have the characteristics of contractually linked instruments are in fact lending arrangements structured to provide enhanced credit protection to the creditor.
- Derecognition of liabilities settled through electronic payment systems:

When settling a financial liability in cash using an electronic payment system, it is permitted that an entity to deem the financial liability to be discharged before the settlement date if it meets certain specified criteria.

- Disclosures:

Amend IFRS 7 Financial Instruments: Disclosures to introduce disclosure requirements related to investments in equity instruments designated at fair value through other comprehensive income and contractual terms that could change the amount of contractual cash flows.

- **Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7** (effective 1 January 2026)

The amendments address the following:

- Explanation of the meaning of “contracts referencing nature-dependent electricity”.
- Clarification of the “own-use” requirements in IFRS 9 with respect to contracts referencing nature-dependent electricity.

Annual improvements to IFRS Accounting Standards – Volume 11 (effective 1 January 2026)

These annual improvements are part of the International Accounting Standards Board's (IASB) routine maintenance process to clarify wording and correct minor inconsistencies without fundamentally changing accounting principles.

- **IFRS 18 – Presentation and disclosure in financial statements** (effective 1 January 2027). The IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.
- **IFRS 19 – Subsidiaries without Public Accountability: Disclosures** (effective 1 January 2027).
 - provides reduced disclosure requirements;
 - that apply full IFRS recognition and measurement rules; and
 - for eligible subsidiaries.

The above amendments are not expected to have a material effect on the financial statements of the Company, with the exception of IFRS 18, but the Board will continue to assess the impact.

2. INCOME

	2026 £'000	2025 £'000
Investment income		
Overseas dividend income	290	964
Other income		
Deposit interest	136	147
Total income	426	1,111

3. AIFM AND PORTFOLIO MANAGEMENT FEES

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
AIFM fee – Frostrow Capital LLP	36	681	717	43	820	863
Portfolio management fee – OrbiMed Capital LLC	85	1,612	1,697	100	1,909	2,009
	121	2,293	2,414	143	2,729	2,872

During the financial year ended 31 March 2026, in accordance with the performance fee arrangements in place, no performance fee was earned (2025: nil).

As at 31 March 2026, no performance fees were accrued or payable (31 March 2025: £nil).

Further details of the AIFM fee, portfolio management fee and the performance fee basis can be found in the Report of the Directors.

4. OTHER EXPENSES

	2026 Total £'000	2025 Total £'000
Directors' emoluments	181	201
Fees payable to the Company's auditor for the audit of the Company's financial statements	54	52
Registrar fees	53	45
Depositary fees	43	52
Marketing and PR costs	84	86
Legal and professional fees [^]	28	32
Broker fees	43	63
Listing fees	18	35
Printing costs	35	30
Other costs	117	175
Total expenses charged to Revenue	656	771
Professional fees charged to Capital*	59	16
Total expenses	715	787

[^] Includes quarterly valuation fees in relation to the valuation of the unquoted investments.

* Professional fees in respect of acquisition of unquoted and pre-IPO investments and legal costs in relation to the cancellation of the Share Premium Account.

Details of the amounts paid to Directors are included in the Directors' Remuneration Report.

5. FINANCE COSTS

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Loan facility interest	57	1,082	1,139	66	1,259	1,325
	57	1,082	1,139	66	1,259	1,325

6. TAXATION**(A) FACTORS AFFECTING TOTAL TAX CHARGE FOR YEAR**

Approved investment trusts are exempt from tax on capital gains made within the company.

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 25% (2025: 25%). The differences are explained below:

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net (loss)/profit before taxation	(408)	130,695	130,287	131	(82,647)	(82,516)
Corporation tax at 25% (2025: 25%)	(102)	32,674	32,572	33	(20,662)	(20,629)
Effects of:						
Non-taxable (gain)/loss on investments	–	(33,532)	(33,532)	–	19,661	19,661
Non-taxable overseas dividends	(72)	–	(72)	(241)	–	(241)
Overseas tax suffered	32	–	32	145	–	145
Excess expenses unused	174	858	1,032	208	1,001	1,209
Total taxation for the year (see note 6(b))	32	–	32	145	–	145

(B) ANALYSIS OF CHARGE IN THE YEAR:

	2026			2025		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Overseas tax suffered	32	–	32	145	–	145
Total taxation for the year	32	–	32	145	–	145

(C) PROVISION FOR DEFERRED TAX

No provision for deferred taxation has been made in the current or prior year.

The Company has not provided for deferred tax on capital profit or losses arising on the revaluation or disposal of investments, as it is exempt from tax on these items because of its status as an investment trust company.

At 31 March 2026, the Company had unutilised management expenses and other losses of £97,312,000 (2025: £93,248,000) that are available to offset future taxable revenue.

A deferred tax asset of £24,328,000 (25% tax rate) (2025: £23,312,000 (25% tax rate)) arising as a result of these excess management expenses and other losses has not been recognised because the Company is not expected to generate sufficient taxable income in future periods in excess of the available deductible expenses. Given the composition of the Company's portfolio, it is not likely that this asset will be used in the foreseeable future and therefore no asset has been recognised in the financial statements.

7. BASIC AND DILUTED EARNINGS/(LOSS) PER SHARE

	2026			2025		
	Revenue pence	Capital pence	Total pence	Revenue pence	Capital pence	Total pence
Earnings/(loss) per share	(1.9)p	559.9p	558.0p	0.0p	(262.3)p	(262.3)p

The total profit per share of 558.0p (2025: loss of 262.3p) is based on the total profit attributable to equity shareholders of £130,255,000 (2025: loss of £82,661,000).

The revenue loss per share 1.9p (2025: loss of 0.0p) is based on the revenue loss attributable to equity shareholders of £440,000 (2025: loss of £14,000). The capital gain per share of 559.9p (2025: loss of 262.3p) is based on the capital profit attributable to equity shareholders of £130,695,000 (2025: loss of £82,647,000).

The total profit per share is based on the weighted average number of shares in issue during the year of 23,341,371 (2025: 31,514,115).

There are no dilutive instruments issued by the Company (2025: none).

8. INVESTMENTS

As at 31 March 2026, all investments with the exception of the unquoted investments and derivatives have been classified as level 1. The unquoted investments have been classified as level 3. See note 15 for further details.

	Quoted		Derivative*		Quoted		Derivative		Total
	Investments	Unquoted	Financial	Instruments	Investments	Unquoted	Financial	Instruments	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Opening book cost	292,352	5,001	–	297,353	354,597	16,268	–	370,865	
Opening investment holding (losses)/gains	(77,132)	(2,807)	745	(79,194)	24,977	(1,130)	(418)	23,429	
Valuation at 1 April	215,220	2,194	745	218,159	379,574	15,138	(418)	394,294	
Movement in the year									
Purchases at cost	554,865	–	3,653	558,518	429,394	46	–	429,440	
Sales proceeds	(617,923)	–	(4,301)	(622,224)	(533,092)	–	2,550 #	(530,542)	
Transfer from	–	–	–	–	(859)	(13,408)	–	(14,267)	
Transfer into	–	–	–	–	13,408	859	–	14,267	
Net movement in investment holding gains/(losses)	128,573	(849)	9,006	136,730	(73,205)	(441)	(1,387)	(75,033)	
Valuation at 31 March	280,735	1,345	9,103	291,183	215,220	2,194	745	218,159	
Closing book cost at 31 March	258,407	5,001	3,428	266,836	292,352	5,001	–	297,353	
Investment holding gains/(losses) at 31 March	22,328	(3,656)	5,675	24,347	(77,132)	(2,807)	745	(79,194)	
Valuation at 31 March	280,735	1,345	9,103	291,183	215,220	2,194	745	218,159	

* includes warrant holdings (see note 9)

sale of financial equity swaps. This has been shown as a positive movement due to the nature of the equity swap.

The sales proceeds of £622,224,000 (2025: £530,542,000) includes transaction costs of £1,097,000 (2025: £1,240,000). The book cost of these investments when they were purchased was £589,035,000 (2025: £502,952,000).

These investments have been revalued over time and until they were sold any unrealised gains/loss were included in the fair value of these investments.

GAINS/(LOSSES) ON INVESTMENTS

	2026	2025
	£'000	£'000
Gains/(losses) on investments	136,730	(75,033)
Transaction costs	(2,140)	(2,057)
Gains/(losses) on investments held at fair value through profit or loss	134,590	(77,090)

The total transaction costs for the year were £2,140,000 (31 March 2025: £2,057,000) broken down as follows: purchase transaction costs for the year to 31 March 2026 were £1,043,000 (31 March 2025: £817,000), sale transaction costs were £1,097,000 (31 March 2025: £1,240,000). These costs consist mainly of commission. Transaction costs are recorded in the capital column of the Income Statement.

9. DERIVATIVE FINANCIAL INSTRUMENTS

	2026	2025
	£'000	£'000
Warrants	9,103	–
Fair value of OTC equity swaps (assets)*	–	745
Fair value of OTC equity swaps (liabilities)*	–	–
	9,103	745

* There were no OTC equity swaps held at the year end.

(See note 1(J) for further details).

10. OTHER RECEIVABLES

	2026 £'000	2025 £'000
Future settlements – sales	10,999	–
Prepayments and accrued income	64	17
	11,063	17

11. CASH AND CASH EQUIVALENTS

	2026 £'000	2025 £'000
Money market funds	–	6,913
Current asset investments	–	6,913
Cash at bank	–	1,540
Cash and cash equivalents	–	8,453

There was no cash held in the money market fund or at the bank at the year end.

12. OTHER PAYABLES

	2026 £'000	2025 £'000
Future settlements – purchases	7,236	405
Amounts due to brokers in respect of shares repurchased by the Company for cancellation	–	4,336
Other creditors and accruals	768	682
	8,004	5,423

13. ORDINARY SHARE CAPITAL

	2026 Number of Shares	2025 Number of Shares
Allotted, issued and fully paid at 1 April	27,112,591	33,487,198
Shares bought back for cancellation during the year	(7,183,277)	(6,374,607)
At 31 March	19,929,314	27,112,591

	2026 £'000	2025 £'000
Allotted, issued and fully paid shares of 25p	4,982	6,778

During the year 7,183,277 shares were bought back for cancellation for a consideration of £69,538,000 (2025: 6,374,607 shares were bought back for a consideration of £57,440,000).

14. NET ASSET VALUE PER SHARE

	2026	2025
Net asset value per share	1,414.6p	815.9p

The net asset value per share is based on the net assets attributable to equity shareholders of £281,923,000 (2025: 221,206,000) and on 19,929,314 (2025: 27,112,591) shares in issue at 31 March 2026.

15. RISK MANAGEMENT POLICIES AND PROCEDURES

As an investment trust, the Company invests in equities and other investments for the long term in order to achieve its investment objective. In pursuing its investment objective, the Company is exposed to a variety of risks that could result in either a reduction or increase in the Company's net assets or profits.

The Company's financial instruments comprise securities and other investments, cash balances, debtors and creditors and a loan facility that arise directly from its operations (for example, in respect of sales and purchases awaiting settlement).

The main risks the Company faces from its financial instruments are (i) market price risk (comprising currency risk, interest rate risk and other price risk (i.e. changes in market prices other than those arising from interest rate or currency risk)), (ii) liquidity risk and (iii) credit risk. The Board also considers (iv) fair value measurement and (v) capital management.

The Board reviews and agrees policies regularly for managing and monitoring each of these risks.

OTC EQUITY SWAPS

The Company uses OTC equity swap positions to gain access to Chinese markets where the Company is not locally registered to trade directly. These swaps are revalued daily reflecting changes in the market value of the underlying equity. At the year end the Company did not hold any open equity swap contracts. See glossary for further details.

1. MARKET PRICE RISK:

The Company's portfolio is exposed to fluctuations in market prices in the biotechnology sector and the regions in which it invests. Market-wide uncertainties which have recently caused increased volatility in the markets include the war in Ukraine, increasing political, military and commercial tensions between the US/West and China, and increased inflationary pressures.

The Company's portfolio is exposed to market price fluctuations which are monitored by the AIFM and the Portfolio Manager in pursuance of the investment objective. Further information on the composition of the portfolio is set out on pages 8 and 9 of the Annual Report.

This market risk comprises three elements – foreign currency risk, interest rate risk and other price risk.

(a) Foreign currency risk:

The Company's portfolio is denominated in currencies other than sterling (the Company's functional currency, in which it reports its results). As a result, movements in exchange rates can significantly affect the sterling value of those items.

Management of the risk

The AIFM and the Portfolio Manager monitor the Company's exposure to foreign currencies on a continuous basis and report to the Board regularly. The Company does not hedge against foreign currency movements to manage market price risk.

The Company does not use financial instruments to mitigate the currency exposure in the period between the time that the income is included in the financial statements and its receipt.

Foreign currency exposure

At the date of the Statement of Financial Position the Company held £274,096,000 (2025: £200,735,000) of investments denominated in U.S. dollars and £17,087,000 (2025: £17,424,000) in other non-sterling currencies.

Foreign currency sensitivity

The fair value of the Company's monetary items that have foreign currency exposure at 31 March 2026 is shown below.

Where the Company's equity investments (which are not monetary items) are priced in a foreign currency they are shown separately in the analysis as to show the overall level of exposure.

	2026 £'000	2025 £'000
Sterling equivalent of U.S.\$ and other non-sterling exposure		
Current assets	10,999	8,475
Creditors	(7,236)	(405)
Spot currency contracts	(1)	(4,358)
Loan facility (non-sterling)	(12,309)	–
Foreign currency exposure on net monetary items	(8,547)	3,712
Investments held at fair value through profit or loss including derivative equity swap	291,183	218,159
Total net foreign currency exposure	282,636	221,871

The tables below show the sensitivity of the Company's profit or loss after taxation for the year (investment values) to a 10% increase and decrease in the value of sterling compared with the U.S. dollar and other non-sterling currencies (2025: 10% increase and decrease).

The above percentages have been determined based on market volatility in exchange rates over the previous twelve months. The analysis is based on the Company's foreign currency financial instruments held at each Statement of Financial Position date, after adjusting for an increase/decrease in the AIFM and portfolio management fees.

If sterling had weakened against the U.S. dollar and other non-sterling currencies, as stated above, this would have had the following effect:

	2026 £'000	2025 £'000
Impact on revenue return	–	–
Impact on capital return	31,106	32,717
Total return after tax/effect on shareholders' funds	31,106	32,717

If sterling had strengthened against the U.S. dollar and other non-sterling currencies, as stated above, this would have had the following effect:

	2026 £'000	2025 £'000
Impact on revenue return	–	–
Impact on capital return	(25,449)	(13,189)
Total return after tax/effect on shareholders' funds	(25,449)	(13,189)

(b) Interest rate risk:

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

Interest rate exposure

The Company's main exposure to interest rate risk is through its loan facility with J.P. Morgan Securities LLC which is repayable on demand. Interest is charged at the US overnight bank funding rate plus 45 basis points.

At the year end, financial assets and liabilities subject to interest rate risk were as follows:

	Floating rate 2026 £'000	Floating rate 2025 £'000
Loan facility with J.P. Morgan Securities LLC	(12,319)	–
Gross exposure on OTC equity swaps	–	7,540
Total liabilities subject to interest rate risk	(12,319)	7,540
Less cash held at Goldman Sachs and in a liquidity fund	–	8,453
Total net liabilities subject to interest rate risk	(12,319)	(913)

Management of the risk

The level of borrowings is approved and monitored by the Board and the AIFM on a regular basis.

Interest rate sensitivity

The majority of the Company's financial assets are equity shares and other investments which neither pay interest nor have a maturity date. The amount subject to interest rate risk as at 31 March 2026 was £12,319,000 (2025: £913,000). If the rate increased or decreased by 1%, the impact on the profit or loss and net assets would be expected to be £123,190 or (£9,130) (2024: £513,000) or (£513,000).

(c) Other price risk

Other price risk may affect the value of the quoted investments.

If market prices at the date of the Statement of Financial Position had been 20% higher or lower (2025: 20% higher or lower) while all other variables had remained constant, the return and net assets attributable to shareholders for the year ended 31 March 2026 would have increased/decreased by £57,683,000 (2025: £44,711,000) after adjusting for an increase or decrease in the AIFM and the Portfolio management fees. The calculations are based on the portfolio valuations as at the respective Statement of Financial Position dates.

Other price risk exposure

	2026 Net			2025 Net		
	Assets £'000	Liabilities £'000	Fair Value £'000	Assets £'000	Liabilities £'000	Fair Value £'000
Investments	282,080	–	282,080	217,414	–	217,414
Warrants	9,103	–	9,103	–	–	–
OTC equity swaps	–	–	–	745	–	745

291,183	–	291,183	218,159	–	218,159
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The notional exposure of the OTC equity swaps calculated in accordance with AIFMR requirements, is £nil (2025: £8,286,000) see glossary for further details.

2. LIQUIDITY RISK:

At the year end, there were no cash or cash equivalents held by the Company. Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk

Liquidity risk is not significant as the majority of the Company's assets are investments in quoted equities that are readily realisable within one week, in normal market conditions. Stress tests have been performed to understand how long the portfolio would take to realise in such situations. The Board is comfortable that in such situations the Company would be able to meet its liabilities as they fall due. Short-term funding flexibility can be achieved through the use of the loan facility. The maximum amount of gearing permitted by the Board is 20% of net assets which equated to £56,385,000 at the year end (2025: £44,241,000).

The Board gives guidance to the Portfolio Manager as to the maximum amount of the Company's resources that should be invested in any one company.

Liquidity exposure and maturity

Contractual maturities of the financial liabilities as at 31 March 2026, based on the earliest date on which payment can be required, are as follows:

	2026 3 months or less £'000	2026 3 to 12 months £'000	2025 3 months or less £'000	2025 3 to 12 months £'000
Loan facility (repayable on demand)	12,319	–	–	–
Future settlements	7,236	–	405	–
Derivative – OTC equity swaps	–	–	–	–
Other creditors and accruals	768	–	5,018	–
	20,323	–	5,423	–

3. CREDIT RISK:

Credit risk is the risk of failure of a counterparty to discharge its obligations resulting in the Company suffering a loss.

J.P. Morgan Securities LLC (J.P. Morgan) may take assets with a value of up to 140% of the loan facility as collateral. Such assets held by J.P. Morgan are available for rehypothecation [†].

As at 31 March 2026, the maximum value of assets available for rehypothecation was £17,247,000 being 140% of the loan balance of £12,319,000 (31 March 2025: £65,909,000 being 140% of the loan balance of £47,078,000).

[†] See glossary.

Management of the risk

The risk is not significant and is managed as follows:

J.P. Morgan

- by receiving and reviewing regular updates from the Custodian and Prime Broker and the Depository.
- by reviewing their Internal Control reports and regularly monitoring J.P. Morgan's credit rating. J.P. Morgan has a credit rating of Aa3 (Moody's), AA- (S&P) and AA (Fitch).
- by reviewing on a monthly basis assets which are available for rehypothecation.

Other counterparties

- by only dealing with brokers which have been approved by OrbiMed Capital LLC and banks with high credit ratings such as Goldman Sachs International which has a credit rating of A1 (Moody's), A+ (S&P) and AA- (Fitch);
- by investing in markets that mainly operate DVP (delivery versus payment) settlement.

- all cash balances are held with approved counterparties. J.P. Morgan is the Custodian of the Company's assets and all assets are segregated from J.P. Morgan's own assets.

At 31 March 2026 the Company's exposure to credit risk amounted to £10,999,000 and was in respect of receivables, cash held as collateral and held in a liquidity fund (2025: £8,453,000).

4. FAIR VALUE MEASUREMENT

Hierarchy of investments

As required under IFRS 13 "Fair Value Measurement", the Company has classified its financial assets designated at fair value through profit or loss using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements. The hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) such as volatilities; and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
As of 31 March 2026	£'000	£'000	£'000	£'000
Assets	280,735	–	1,345	282,080
Derivatives: warrants	–	9,103	–	9,103
Financial investments held at fair value through profit or loss	280,735	9,103	1,345	291,183

	Level 1	Level 2	Level 3	Total
As of 31 March 2025	£'000	£'000	£'000	£'000
Assets	215,220	–	2,194	217,414
Derivatives: equity swap (assets)	–	745	–	745
Financial investments held at fair value through profit or loss	215,220	745	2,194	218,159

As at 31 March 2026, the investment in OrbiMed Asia Partners LP Fund has been classified as level 3. The OrbiMed Asia Partners Fund LP has been valued at the net asset value presented in its Statement of Partners Capital Activity as at 31 December 2025, as permitted under the IPEV guidelines. The Statement of Partner's Capital Activity as at 31 March 2026 was received in May 2026 and was not materially different from the valuation at 31 December 2025. If the value of the OrbiMed Asia Partners Fund were to increase or decrease by 10%, while all other variables remain constant, the return and net assets attributable to shareholders for the year ended 31 March 2026 would have increased/decreased by £89,000 (2025: £89,000).

At 31 March 2026, the Company held three level 3 investments in addition to the OrbiMed Asia Fund:

- New Horizon Health;
- Gracell Biotechnology CVRs; and
- StemiRNA.

New Horizon Health has been valued at £nil, due to the Company delisting from the Hong Kong Stock Exchange on 27 October 2025. See note 1 for further details.

Gracell Biotechnology CVR has been valued by Kroll using the PWERM.

StemiRNA entered into liquidation during the year and is valued at £nil at the year end.

At 31 March 2026, the Company also held the following (Level 2) warrants:

- C4 Therapeutics*
- Cybin Inc*
- Immunic Therapeutics*
- Milestone Pharmaceuticals

* do not have a fixed expiration date.

Three of the warrants held (C4 Therapeutics, Cybin Inc and Immunic Therapeutics) do not have a fixed expiration date and have been valued based on OrbiMed's best estimate of future expiration date as at 31 March 2026.

If the future expiration date was estimated at reasonably possible alternatives, the fair value of the warrants would increase by £1.7m at the year end.

Level 3 Reconciliation

Please see below a reconciliation disclosing the changes during the year for the financial assets and liabilities designated at fair value through profit or loss classified as being Level 3. There has been no transfer between fair value hierarchy levels.

	2026	2025
	£'000	£'000
Assets		
As at 1 April	2,194	15,138
Purchase of unquoted investments	–	46
Sale of unquoted investment	–	–
Transfer to level 1	–	(13,408)
Transfer to level 3	–	859
Net movement in investment holding gains during the year	(849)	(441)
Assets as at 31 March	1,345	2,194

FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES:

Financial assets and financial liabilities are either carried in the Statement of Financial Position at their fair value or at a reasonable approximation of fair value.

5. CAPITAL MANAGEMENT

The Company's capital management objectives are:

- to ensure that it will be able to continue as a going concern; and
- to maximise the total return to its equity shareholders.

The Board's policy is to limit gearing to a maximum of 20% of the Company's net assets.

The capital structure of the Company consists of the equity share capital, retained earnings and other reserves shown in the Statement of Financial Position.

Shares may be repurchased by the Company as explained on pages 23 and 24 of the Annual Report.

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

16. TRANSACTIONS WITH RELATED PARTIES

The Directors of the Company are considered to be related parties.

Details of the remuneration of the Directors of the Company can be found on page 58 of the Annual Report. Geoff Hsu has waived his Directors' fees. Details of the Directors' interests in the capital of the Company can be found on page 60 of the Annual Report.

17. TRANSACTIONS WITH THE MANAGERS

- Frostrow Capital LLP
- OrbiMed Capital LLC

Details of the relationship between the Company and Frostrow Capital LLP, the AIFM, and OrbiMed Capital LLC, the Portfolio Manager, are disclosed on page 45 of the Annual Report. Geoff Hsu, who joined the Board on 16 May 2018, is a General Partner at OrbiMed. Details of fees paid to OrbiMed by the Company can be found in note 3. All material related party transactions have been disclosed in notes 3 and 4.

The Company holds an interest in OrbiMed Asia Partners Fund which equates to 0.4% of the investments held at 31 March 2026. Further details can be found on page 73 of the Annual Report.

Three current and two former partners at OrbiMed Capital LLC have a minority financial interest totalling 20% in Frostrow Capital LLP, the AIFM. Details of the fees paid to Frostrow Capital LLP by the Company can be found in note 3.

18. CAPITAL RESERVE

	2026			2025		
	Other £'000	Capital Reserves Investment holdings gains/ (losses) £'000	Total £'000	Other £'000	Capital Reserves Investment holdings gains/ (losses) £'000	Total £'000
At 1 April	197,998	(79,194)	118,804	235,358	23,533	258,891
Net gains/(losses) on investments	31,049	103,541	134,590	25,637	(102,727)	(77,090)
Foreign exchange losses	(461)	–	(461)	(1,553)	–	(1,553)
Expenses charged to capital	(3,434)	–	(3,434)	(4,004)	–	(4,004)
Repurchase of own shares for cancellation	(69,538)	–	(69,538)	(57,440)	–	(57,440)
At 31 March	155,614	24,347	179,961	197,998	(79,194)	118,804

Sums within the Total Capital Reserve less unrealised gains (those on investments not readily convertible to cash) are available for distribution. Investment holding gains in the table above are unrealised. The value of investments not readily convertible to cash amount to £1,345,000 (2025: £2,194,000).

19. SUBSEQUENT EVENTS

Subsequent to the Company's year end, the net asset value per share of the Company had risen by 3.9% from 1,414.6p to 1,469.2p and the Company's share price had risen by 4.1% from 1,260.0p to 1,312.0p as at 29 May 2026.

The figures and financial information for 2025 are extracted from the published Annual Report for the year ended 31 March 2025 and do not constitute the statutory accounts for that year. The Annual Report for the year ended 31 March 2025 has been delivered to the Registrar of Companies and included the Independent Auditor's Report which was unqualified and did not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006.

The figures and financial information for 2026 are extracted from the Annual Report for the year ended 31 March 2026 and do not constitute the statutory accounts for the year. The Annual Report for the year ended 31 March 2026 includes the Independent Auditor's Report which is unqualified and does not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006. The Annual Report and financial statements have not yet been delivered to the Registrar of Companies.

ANNOUNCEMENT ENDS

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