RNS Number : 7942Y
Pantheon International PLC
28 February 2025

For immediate release

The information contained in this announcement is restricted and is not for publication, release or distribution in the United States of America, Canada, Australia (other than to persons who are both wholesale clients and professional or sophisticated investors in Australia), Japan, the Republic of South Africa or any other jurisdiction where its release, publication or distribution is or may be unlawful.

PANTHEON INTERNATIONAL PLC

HALF YEAR REPORT FOR THE SIX MONTHS ENDED 30 NOVEMBER 2024

The full Half Year Report and Accounts can be accessed via the Company's website at www.piplc.com or by contacting the Company Secretary by telephone on +44 (0)333 300 1932.

Pantheon International Plc
(the "Company" or "PIP")

Pantheon International Plc, a FTSE 250 investment trust that provides access to an actively-managed global and diversified portfolio of private equity-backed companies, today publishes its Half Year Report and Accounts for the six months ended 30 November 2024.

A busy period implementing Step 3 of our corporate strategy that aims to stimulate demand for PIP's shares.

- **Assessing stakeholder needs** and consistently listening to their changing views and needs. This is helping us to guide our corporate and marketing plans, putting shareholder interests first.
- **Focus on governance.** Recruitment of three highly experienced new NEDs from the private equity sector - Tim Farazmand, Candida Morley and Tony Morgan. Zoe Clements formally took over as Audit Chair during the period. This is part of our continuing build of corporate proactivity at the Board.
- **Ongoing performance and strategic evaluation.** A Strategic Sub-Committee has been set up and we are expecting the update to be largely in place before the AGM. This includes continuing to refine PIP's corporate, leverage and investment strategy, and the construction of PIP's portfolio which continues to perform well over the long term.
- **Marketing activities.** We have engaged external partners to work alongside us to deliver a marketing plan, alongside our strategic objectives, which includes an educational programme designed to help to remove obstacles to increasing market demand for PIP's shares. The discovery phase has been completed.
- **Capturing value for shareholders.** Capital allocation policy implemented during the period, following the large buyback programme in the previous financial year. During the period, PIP invested £12.7m in share buybacks which have been accretive to the NAV.

Performance update

- NAV per share **grew by 2.3%** (net of fees) during the half year. Valuation gains across the portfolio and NAV accretion from share buybacks were partially offset by unfavourable currency movements, given that PIP's portfolio is predominantly USD-denominated. Currency movements tend to balance out over the long term.
- As a result of the ongoing macroeconomic challenges, PIP's NAV performance, in line with the broader listed private equity sector, was muted during the six-month period. It should be noted that private equity is a long-term asset class and performance should be viewed through that lens.
- PIP's share price was flat (+0.2%) during the period.

ANNUALISED PERFORMANCE AS AT 30 NOVEMBER 2024

	1 yr	**3 yrs**	**5 yrs**	**10 yrs**	**Since inception[1]**

NAV per share (stated net of fees)	5.3%	6.0%	12.4%	12.8%	11.8%
Ordinary share price	11.1%	0.7%	7.0%	10.1%	10.7%
FTSE All-Share, Total Return	15.7%	7.9%	5.7%	6.1%	7.5%
MSCI World, Total Return (Sterling)	27.9%	10.8%	13.4%	13.0%	8.8%

[1] Inception in September 1987.

NAV per share vs. market performance

	1 yr	3 yrs	5 yrs	10 yrs	Since inception
Versus FTSE All-Share, Total Return	-10.4%	-1.9%	+6.7%	+6.7%	+4.3%
Versus MSCI World, Total Return (Sterling)	-22.6%	-4.8%	-1.0%	-0.2%	+3.0%

Share price vs. market performance

	1 yr	3 yrs	5 yrs	10 yrs	Since inception
Versus FTSE All-Share, Total Return	-4.6%	-7.2%	+1.3%	+4.0%	+3.2%
Versus MSCI World, Total Return (Sterling)	-16.8%	-10.1%	-6.4%	-2.9%	+1.9%

Portfolio update

- Direct investments account for the majority of the portfolio **with 55% of PIP's portfolio invested in co-investments and single-asset secondaries**, which are complemented **by hard-to-access funds.**
- PIP had over c.300 full exit events during the half year. The weighted average **uplift from these fully realised exits was 26%** and the weighted average uplift in the last 10 years has been **30%.**
- The average **cost multiple on exit realisations was 3.1 times** during the half year, and that figure since 2014 has been **3.0 times**.
- PIP's portfolio has remained cash-generative during the period with **net cash inflow from the portfolio of £45m**. PIP has generated **£1.7bn of net cash over the last 10 years**.
- PIP's portfolio is well-positioned to navigate economic cycles. Our confidence is underpinned by the annualised revenue and EBITDA growth in PIP's buyout portfolio that has continued to exceed the EBITDA and revenue growth of companies in the MSCI World index. Over the past five financial years, PIP's portfolio companies have **grown EBITDA and revenue at a rate of 19% and 17% p.a. respectively**.
- Minimising risk: PIP's loss ratio for all investments, realised and unrealised, made over the last 10 years **is low at 2.6%[1]**.

Financial position update

- During the period, PIP's credit facility was right-sized to a **£400m equivalent** with the flexibility for this to be increased to £700m under the existing structure.
- As at 30 November 2024, PIP had **net available cash of £21m** while £116m was drawn down under the credit facility and £118m of sterling equivalent loan notes were outstanding.
- Therefore as at 30 November 2024, PIP's net debt to NAV, excluding the Asset Linked Note, was conservative at 9.2%. The Board currently does not expect net leverage to exceed 10% of NAV under normal market conditions.
- As at 30 November 2024, PIP's financing cover was **4.0x** and its undrawn coverage ratio was **comfortable at 79%**, relative to the 25% minimum required under existing loan covenants.

Commenting on the half year, **John Singer CBE, Chair of PIP**, said: "We have had a very busy six-month period during which we have continued to implement Step Three of our three-step programme, building on the success of the large share buyback and the implementation of the capital allocation policy in the previous financial year. While our journey began years ago with the shift towards direct investments in PIP's portfolio, the last two years have seen huge developments across our corporate and leverage strategy, and the integration of our investment, corporate and leverage strategies so that each supports the other. All driven by our firm belief that Investment Trust Boards need to be proactive, and go beyond stewardship. The market environment continues to evolve, requiring us to respond nimbly and to ensure that we continue to put shareholders first and to build trust. The Board is excited about the work that still lies ahead of us and this excitement stems from the increasing interest in private equity and the opportunity that we have to reach a widening range of investors. We will continue to work hard to deliver value for shareholders over the long term."

Commenting, **Charlotte Morris, Partner at Pantheon and Co-Lead Manager of PIP**, said: "Although it will not be immediate, we anticipate an increase in deals and exits over the next couple of years starting with a gradual increase in activity in 2025. We are encouraged to see that, as confidence returns to the M&A market, an increasing number of companies in PIP's portfolio are already on the exit ramp. When our managers have sold their portfolio companies, they have realised their investments at a substantial uplift to their holding values. We believe that this not only demonstrates the conservative nature of our underlying private equity managers when valuing their portfolio companies but also the embedded value and high quality assets in PIP's portfolio."

but also the embedded value and high-quality assets in PIP's portfolio.

Commenting, **Helen Steers MBE, Partner at Pantheon and Co-Lead Manager of PIP**, said: "We believe that private equity offers unique benefits, and that private market investments should be accessible to all investors. An investment in a company like PIP democratises this opportunity. We have managed and advised PIP since it was launched in 1987 and it has been designed to provide an "all weather", high-quality, low-risk portfolio that can withstand macroeconomic volatility and market cycles. As we look ahead, we believe that PIP has the track record and credentials to continue to perform well and create value over the long term."

A video of the Pantheon team discussing PIP's half-year results is available on PIP's website at www.piplc.com.

[1] *Loss ratio is calculated as the sum of 1) the loss made on realised investments which have exited below cost and 2) the difference between the unrealised value and the cost of unrealised investments which are held below cost, divided by the aggregate costs of all investments.*

LEI: 2138001B3CE5S5PEE928

For more information please contact:

Pantheon Helen Steers MBE / Charlotte Morris / Vicki Bradley	 +44 (0)20 3356 1800 pip.ir@pantheon.com
Investec Bank plc *Joint Corporate Broker* Tom Skinner (Corporate Broking) Lucy Lewis (Corporate Finance)	+44 (0)20 7597 4000
J.P. Morgan Cazenove *Joint Corporate Broker* William Simmonds (Corporate Finance)	+44 (0)203 493 8000
Montfort Communications Gay Collins / Charlotte Merlin-Jones / Michael Schutzer-Weissmann	+44 (0)7857 119 895 PIP@montfort.london

Follow PIP on LinkedIn: https://www.linkedin.com/company/pantheon-international-plc

Important Information

A copy of this announcement will be available on the Company's website at www.piplc.com Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website for any other website, is incorporated into, or forms part of, this announcement nor, unless previously published by means of a recognised information service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, securities in the Company.

MAKING THE PRIVATE, PUBLIC

A share in Pantheon International Plc ("PIP" or "the Company") provides access to a high-quality diversified portfolio of private equity-backed companies around the world that would otherwise be inaccessible to most investors. Shares in PIP can be bought and sold as they would in any other publicly listed company.

As at 30 November 2024

£2.3bn	Net asset value ("NAV")
+2.3%	NAV per share growth in the period (net of fees)
+11.8%	Annualised NAV per share growth since 1987 (net of fees)
£1.5bn	Market capitalisation
+0.2%	Share price change in the period
+10.7%	Annualised share price return since 1987
+26%[1]	Weighted average uplift at exit
2.6%[2]	Ten-year loss ratio
1.35%[3]	Association of Investment Companies ("AIC") ongoing charges

[1] *The uplift on full exit compares the value received upon realisation against the investment's carrying value 12 months prior to exit or if known, the latest valuation unaffected by pricing effects arising from market participants becoming aware of the imminent sale of an asset.*

[2] *Loss ratio is calculated as the sum of 1) the loss made on realised investments which have exited below cost and*

Loss ratio is calculated as the sum of 1) the loss made on realised investments which have exited below cost and 2) the difference between the unrealised value and the cost of unrealised investments which are held below cost, divided by the aggregate costs of all investments.

[3] *Ongoing charges are calculated based on the AIC definition. Including financing costs, PIP's total ongoing charges would be 2.25%. See the Alternative Performance Measures section in the full Half Year Report for calculations and disclosures.*

CHAIR'S STATEMENT

Addressing today our shareholders' needs for tomorrow

I am discussing PIP's interim results in the context of the longer-term third step of our strategic journey aimed at reinforcing PIP's trusted attraction and relevance for accessing private equity.

As I sit here writing to you to report on the first six months of Step Three of our strategy, as set out in my first Statement to you in 2023, I feel very positively about overall progress made in this period. Step Three is where we shift from removing obstacles that might restrict the growth in demand for our shares to actively focusing even more than previously on stimulating demand to help reduce our discount.

However, at times I have been less confident about the macro environment within which we have had to operate. Those who were confidently talking up the green shoots of mergers and acquisitions ("M&A") and business activity a year ago will no doubt share our disappointment that this six-month period still suffered from the macro headwinds of inflation, higher interest rates, and politics at home and abroad; and, indeed, from micro ones, such as a more challenging environment for private equity exits, a misleading cost disclosure environment and investor preferences for passive investing. Towards the end of the period, though, I am happy to report that interest rates have fallen, private equity exits have risen, and the US election result has brought to an end some of the uncertainties caused by a string of political elections.

Turning to our own performance during this period, in line with most of our peers in the quoted private equity sector, this has seen muted results of 2.3% NAV per share growth, reflecting the macro and micro elements referred to above. This contrasts with the three-year period when the MSCI World index has pulled away from the listed private equity sector's returns, partly as a result of the "Magnificent Seven"[1] shares' impact.

From a Board perspective, PIP having a long-term investment strategy, we look beyond this six-month "snapshot" to key performance indicators ("KPIs") that give us a view on longer-term performance, with the aim of at least maintaining, and hopefully improving on, the 11.8% annualised NAV per share growth since 1987 (net of fees). And in this regard, there has been positive news in this period.

The first measure for us in assessing the strength of the portfolio is the growth of profits at EBITDA level of the companies we invested in. Our confidence in our portfolio valuations is underpinned by the 19% five-year annualised EBITDA growth in PIP's buyout portfolio that has continued to exceed the 8% growth of companies in the MSCI World index. The second measure is the uplift on exit realisations, which, even in this difficult period, showed an average uplift of 26%, demonstrating the embedded value within our portfolio.

Turning from value to cash flow, we continued to see positive cash generation during the six-month period of £45m, which includes £118m of distributions, and £73m of calls. This reflects a 15% upturn in global M&A[2], while private equity, with an estimated dry powder for buyouts now up to 1.5tn[3], began a return to active buying. Within PIP's portfolio, private equity buyers accounted for 46% of exit realisations against 43% acquired by strategic buyers. This gentle but welcome increase in cash flow for PIP (50% up on the same period to November 2023) allowed us to commit £88m to new investments, of which £33m was immediately drawn down. In line with our portfolio strategy guidelines, 47% was invested in our core area of small and medium-sized businesses ("SMEs"); 53% in our favoured sectors of information technology and healthcare. As a result, the portion of our portfolio in co-investments and manager-led secondaries, where our highly developed "double filter" for due diligence differentiates us, ticked up to 55%. Finally, regarding cash flow, we ended the period with cash at an efficient level of £21m, after making buybacks of £12m at an average 34% discount to NAV.

All of this investment activity has been carried out strictly within the leverage strategy guidelines set out in the last Annual Report. Our 9.2% gearing as a percentage of NAV is below the relevant peer group average of 12.9%, and leaves £293m of our revolving credit facility available for drawdown when needed. With our end of period cash balance of £21m this provides a very comfortable cover of 4.0 times relative to undrawn commitments for funds within their investment periods.

In summary, the increase in our portfolio's NAV during this period has been held back by the continuing low level of exits and distributions, which has persisted for the sector over the last couple of years. These in turn limit the NAV impact of exit uplifts, and also of a higher level of buybacks that we have achieved in past years. But our integrated investment and leverage strategies have continued to show the "all-weather" qualities of the portfolio designed for such short-term periods for the benefit of long-term investors seeking the consistency of NAV performance which releases the built-in growing value over cycles. Our capital reallocation programme has allowed our investors to benefit from this built-in value through buybacks while also taking advantage of new investment opportunities at this time in the cycle.

Moving on from these six-month results, on the downside, however, our discount remains in the mid-30s - even if improved from the 43% figure when our Board announced the Step One £200m buyback programme. But we have retained great momentum in our progress to Step Three of our strategy during this period. While long-term capital growth remains the main target, this step sees our focus increasing heavily on the medium-term goal of closing this discount - which could only be achieved once Steps One and Two had been successfully concluded.

During this period there has been much discussion by those closely involved with our quoted private equity sector as to how these discount issues need to be addressed, and what lessons the investment trust sector as a whole need to take to heart now. Beyond the "sine qua non" of good performance, market commentators continue to be vocal about the need for significant changes in fundamental structure and behaviour.

Taking the warnings of two of the brokers closest to our listed private equity sector, and synthesising these somewhat crudely, they centre on four key areas: proactive engagement; demonstrating relevance; stimulating demand; and putting shareholders first. Last year I started my Chair's Statement by stressing our own Board's concerns for our sector with similar messages, noting that "beyond stewardship; greater use of proactive and integrated strategies, and putting shareholders first" remained among our key priorities at PIP.

And so I would like to set out our Board's review of the last six months in the context of these four areas, and then summarise the most important actions and events during this first six months of Step Three of our strategy designed to improve our relevance, increase demand for our shares and, hopefully, working with colleagues in the sector, reduce the discount for both Pantheon International and the sector. "Ten Key Actions and Events towards Step Three in This Period " below.

Proactive engagement

When I took over the Chair in October 2022, our Board agreed that to provide a successful future for NAV and share price performance, we would have to go beyond traditional IT Board governance, administration and monitoring. We had to proactively challenge, and take tactical actions as any successful corporate Board would - namely, in an integrated fashion within an integrated corporate, investment and funding PIP strategy that would deliver those performance objectives. These steps should be defined clearly and shared with all stakeholders transparently as soon as they could be made public. Each genuinely would move PIP forward, each building on the one before, providing a continuum as they worked together, and converting a short-term mindset to medium- and long-term achieved objectives across the integrated strategies.

Summarising briefly these steps described in detail in previous Chair letters, our investment strategy involved a move several years ago to direct investments, now representing 55% of our portfolio, allowing a more proactively chosen and monitored product mix.

Ten key actions and events towards Step Three in this Period

1. **Assessing stakeholder needs** and consistently listening to the changing views of investors, brokers, investment bankers and other relevant parties regarding the changing needs of all stakeholders involved in the strategic and competitive movements taking place at this cross-roads moment for quoted private equity. This will help

4. **Ongoing performance and strategic evaluation.** We continue to review performance and the relative strengths of the different investment types PIP accesses on behalf of investors through its portfolio construction. The portfolio continues to perform well on a longer-term basis, which has been designed to meet the objectives of lower

7. **Highlight the full spectrum of PIP's strengths.** We have been spending time with both actual and potential investors, brokers and other third parties who know us, to understand what, from their point of view, we need to ensure is not lost in any changes we make in our strategic or marketing planning.

to guide our corporate and marketing plans, putting shareholder interests first.

2. **Changes on the Board.** Recruitment of three highly experienced new Non-Executive Directors from the private equity sector - Tim Farazmand, Candida Morley and Tony Morgan. The quality and quantity of applications received showed a shared belief for our strategic direction, values and understanding of where quoted private equity is heading. Zoe Clements formally took over as Audit Committee Chair during the period.

3. **Strategic plan preparations.** With the help of Pantheon and other parties a huge amount of data has been pulled together and shared with the Board in the last quarter of the calendar year. A Strategic Sub-Committee has been set up, and a timetable established for planning work to have largely been put in place before the AGM.

risk/higher return seeking investors.

5. **Marketing activities.** We have engaged external partners to work alongside the Marketing Sub-Committee and Board to deliver a marketing plan to support and deliver the objectives of the strategic plan - including its full integration with it - within the same pre-AGM timetable. Discovery phase has been completed, with very thorough segmentation work and testing done.

6. **Removing obstacles to increasing market demand for shares.** An education and sharing of knowledge programme has been started. This includes the advantage of IT's in a changing market place. We are continuing to see how we can supplement our own efforts by working together across the sector and engaging with Chairs of other quoted private equity trusts who have been updating their own strategies.

8. **Investment strategy.** Continuing the move to direct investment started several years ago to take advantage of our own proactive selection and monitoring capabilities and the resulting strong EBITDA portfolio company performance which has continued despite the difficult environment of the last couple of years. Achieving careful balance at this time between new investments, buybacks/capital reallocation and funding strategies.

9. **Governance.** Continuing to strengthen the Board and Manager, and the way they work together as a close team. Shareholder interests continue to be put first by the team as demonstrated by the large buyback programme which was agreed to be the priority.

10. **Board of the Year award.** During the period, we won our second Board of the Year award from Quoted Data, after the Citywire one we were awarded in 2023. Both acknowledge our passion and commitment for democratisation, and that shareholders are paramount and above all.

Moving to corporate policy and share buybacks, in August 2023, the Board took the bold decisions to embark on a £200m share buyback programme, followed in May 2024 by the announcement of our capital allocation policy, which set out our intention to continue share buybacks during the periods where the discount remains wide. These two measures were supported by a new leverage strategy which included a 150m private placement - a first in the quoted private equity sector. These market-leading actions, facilitated by the reverse auction tender offer, succeeded in capturing value for remaining shareholders at a time when the discount had widened meaningfully. Meanwhile, the capital allocation policy has resulted in a further £9m from net cash flows being invested in share buybacks in the six-month period to 30 November 2024. The buyback programme also removed the overhang of legacy shareholdings and other potential obstacles to increasing market demand in Step Three. Step Three itself, which will be further described below, consists of an integrated and strategic approach to increasing demand for PIP shares, and thereby our sector, sustainably over the medium term.

Relevance of investment trusts and their strategies

Our Board discusses relevance frequently, and we try to apply the word to various aspects of what we do - the IT vehicle itself, its strategies, the Board and Manager, and also who we are and what we stand for.

Relevance to our investors is crucial to our strategies and their overall objectives (our North Star). We are now updating our strategic plan, and will be testing and reshaping our North Star to capture the demands of a private-equity investing audience interested in transparency, trust, shareholder-leading, and prudent risk-return management.

The Board and Manager must be relevant in terms of understanding the changing needs of all stakeholders in the private equity investing world. This explains the very high priority we made in this first half of the year to attract three new Non-Executive Directors with the highest credibility, reputation and experience in today's private equity world.

And in my continuing meetings with investors, the question of relevance is often applied to ITs in comparison with more recent vehicles like LTAFs, SICAVs, ELTIFs [4] and other evergreen funds. These structures certainly solve many of the challenges of investing in traditional drawdown funds - such as instant diversification, J-curve mitigation; and instant target allocations without future capital calls. However, while these vehicles may reduce some of the discount uncertainty of ITs, they do not provide the ability for investors to achieve unrestricted daily liquidity. Closed-end ITs provide that liquidity with greater simplicity and certainty: managers are not forced to sell investments to fund provide that liquidity with greater simplicity and certainty; managers are not forced to sell investments to fund redemptions. They have the additional advantages of being able to use gearing, of having independent Boards for strategy as well as governance, and of providing greater accessibility for small shareholders.

A final point on this topic to note is that while these issues arise in many of the conversations I have with investors, it is remarkable how many of those meetings end with a plea to PIP to do all we can to ensure the sustainability and survival of the IT model.

Stimulating market demand

This is truly the heart and soul of Step Three - creating sustainable drivers of lower discounts in the medium term. It is led by our conviction that investment trusts in general, and PIP in particular, offer a superior way for investors to access private equity, and therefore our long-standing commitment to broadening the reach and relevance of PIP. The marketing element of the overall strategic plan will therefore centre on sharing this conviction with a wider range of potential investors, expanding our reach to engage with more individuals and their advisors across the UK.

I described in the 2024 Annual Report the work being done to produce an integrated corporate, investment and funding strategy for PIP aligned with the shifts in the market and competitive environments taking place. We continue its implementation, holding onto our core qualities and values, and fundamental approach - listening to investors, nurturing trust and fostering transparency to produce outstanding investment performance. But since we came together as a Board at the end of 2022, a number of elements have had to be put in place to carry out this update successfully:

- An enhancement of the Board to include new members who both fully understand those changes and can challenge each other to come up with solutions that deal with them. We were delighted to welcome at the start of 2025 three highly experienced and respected senior private equity Directors - namely, Tim Farazmand, Candida Morley and Tony Morgan - doubling the number of private-equity experienced Directors, alongside our Board colleagues who also bring marketing, media, accounting and general management skills. A strategy sub-committee of the Board has been established to lead the discussion on the changing market landscape.

- We have continued to listen to the evolving opinions of investors, brokers and investment bankers - including my continuing meetings with 25-30 of our investors. These will continue to help guide our strategy and ensure that we continue to put shareholder interests first in a relevant and appropriate vehicle.

- Over those two years we have tried to identify as many perceived obstacles as possible which could hold back demand for quoted private equity through ITs. We understand the need to educate the wider investor audience - including individuals, wealth advisors and other institutions - on the attraction of private equity for long-term, risk-adjusted returns. As I have said in previous Chair letters, a sector approach is much more powerful here, and we will continue to work towards achieving this with some of our colleagues who, happily, have been busy updating their own strategies.

Alongside this preparatory work, the success of implementation will involve a heavily targeted marketing input. An enormous amount of work has been done over the last six months by our Marketing Committee to prepare our marketing plan.

I would like to thank both our Committee (headed from the Board by Mary Ann Sieghart) and our external partners, who have made significant progress in identifying key segments of the investor universe where we believe private equity investment trusts will be of particular interest, and in understanding the core elements of PIP's proposition that should appeal to these potential investors.

Our research shows that investors are becoming increasingly sophisticated and are looking to invest in new asset classes. Meanwhile, wealth advisors are seeking to diversify their clients' portfolios. Our aim is to participate in this growth and to increase the size of our market share by targeting investors whose objectives align with PIP's.

We understand from our work to date that clear, simple, relevant and human-focused branding will help us target new individual investors, as well as wealth managers and independent financial advisors.

Our intention is to have this coordinated strategic and marketing planning work largely in place by the AGM, and I very much look forward to updating you on the progress of both in the Annual Report.

Putting shareholders first

Our focus remains steadfast on putting shareholders first, going beyond stewardship of shareholder capital, and I hope that this message has got through clearly in all the sections above. Our North Star must reflect who we are, what we stand for, and the strong culture and values shared throughout Pantheon and the Board. At the heart of that is listening to shareholder interests and needs, maintaining trust that long-term shareholder interests, both individual and institutional, come first. And the strongest endorsement of our belief in PIP is our alignment alongside shareholders as shareholders ourselves. Across the Directors and Pantheon Partners, our skin in the game has increased over this half year by 0.9m shares, representing 6.2m of total shares held at 27 February 2025 at a value at that date of £20m.

On the all-important issue of governance, as I mentioned above, we have further strengthened the Board in recent months, and that Board works extremely closely as a team with Pantheon, respecting the executive role of the Manager, but with a mix of continuing challenge on the one hand, and support from experience and networks on the other. Just one example of how shareholder interests are put above those of the Manager is the capital reallocation programme through buybacks, which has in total to date increased NAV by approximately 30 basis points.

In terms of other Board developments, Zoe Clements has formally taken over as Audit Committee Chair during the period, following David Melvin's stepping down from the Board, as reported in the 2024 Annual Report.

During the half year, the Board was gratified to receive a second Board of the Year award, this time from Quoted Data, following the Board of the Year award we received from Citywire in 2023. Both acknowledged our passion and commitment for democratisation within the private equity sector, and both commented on the fact that, for PIP, shareholders are paramount.

Conclusion

Despite the many successes and areas of progress that I have been able to report on at this interim stage, there is no room for complacency, and the Board continues to work hard in these exciting but challenging times to deliver value for shareholders. The excitement stems from the increasing investor interest in private equity assets, and the fact that the range of actual and potential investors is broadening. The challenge comes from the ever-broadening range of options for investors to access private equity. While the journey began years ago with our shift towards direct investments, the last two years have seen huge developments across our corporate and leverage strategy, and the integration of our investment, corporate and leverage strategies so that each supports the other. The articulation of our North Star will bring all these elements together and offer a renewed sense of purpose in our traditional transparent manner.

The market environment continues to evolve, requiring us to respond nimbly to ensure that we continue to offer a relevant and attractive means of accessing private equity, to put shareholders first and continue building trust. I would just like to finish by thanking everybody - including my very special and hard-working Board colleagues - who have been involved thus far on our journey, and I look forward to reporting further on progress when we next meet.

JOHN SINGER CBE
Chair
27 February 2025

[1] *Magnificent 7" stocks: Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta Platforms and Tesla.*

[2] *S&P Global Market Intelligence as at 31 December 2024. Data compiled 30 January 2025.*

[3] *PitchBook as at 31 December 2024.*

[4] *Refer to glossary for full description and definition.*

PIP'S OBJECTIVE IS TO MAXIMISE CAPITAL GROWTH OVER THE LONG TERM

As a result of the ongoing macroeconomic challenges, PIP's NAV performance, which was broadly in line with the listed private equity sector average, was muted during the six month period. The performance of the MSCI World index was skewed by a small number of companies (the "Magnificent 7[1]"). Private equity is a long-term asset class and PIP's NAV per share growth since inception continues to outperform both public benchmark indices.

Annualised performance as at 30 November 2024

	1 yr	3 yrs	5 yrs	10 yrs	Since inception*
NAV per share	5.3%	6.0%	12.4%	12.8%	**11.8%**
Ordinary share price	11.1%	0.7%	7.0%	10.1%	**10.7%**
FTSE All-Share Total Return	15.7%	7.9%	5.7%	6.1%	**7.5%**

FTSE All-Share Total Return	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
MSCI World Total Return (sterling)	27.9%	10.8%	13.4%	13.0%	**8.8%**

NAV per share relative performance

	1 yr	3 yrs	5 yrs	10 yrs	Since inception*
Versus FTSE All-Share Total Return	-10.4%	-1.9%	+6.7%	+6.7%	+4.3%
Versus MSCI World Total Return (sterling)	-22.6%	-4.8%	-1.0%	-0.2%	+3.0%

Share price relative performance

	1 yr	3 yrs	5 yrs	10 yrs	Since inception*
Versus FTSE All-Share Total Return	-4.6%	-7.2%	+1.3%	+4.0%	+3.2%
Versus MSCI World Total Return (sterling)	-16.8%	-10.1%	-6.4%	-2.9%	+1.9%

** Inception in September 1987.*

1 *"Magnificent 7" stocks: Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta Platforms and Tesla.*

KEY PERFORMANCE INDICATORS

PIP regularly reports against six Key Performance Indicators ("KPIs"). During the six month period, NAV per share growth, which was in line with the listed private equity sector, was muted due to the ongoing macroeconomic challenges. Nevertheless, total shareholder return was maintained and the returns from PIP's actively-managed portfolio are on an upward trend. Net portfolio cash flow has remained positive during the period and the Company's active liquidity management ensures a high coverage of PIP's undrawn commitments. We believe that a prudent gearing strategy can enhance future returns.

	What this is	**How PIP has performed**		**Link to our strategic objectives**	**Examples of related factors that we monitor**
Performance					
NAV per share growth[1] 2.3%	NAV per share reflects the attributable value of a shareholder's holding in PIP. The provision of consistent long-term NAV per share growth is central to our strategy. NAV per share growth in any period is shown net of foreign exchange movements and all costs associated with running the Company. The NAV is robustly calculated and the balance sheet is reviewed by PIP's auditors.	6M to Nov 2022 4.0% 6M to Nov 2023 3.1% 6M to Nov 2024 2.3%	• NAV per share increased by 11.1p during the period to 501.6p (31 May 2024: 490.5p). This was an increase of +2.3% compared with the prior financial year end. • NAV per share growth was primarily driven by valuation gains, investment income and share buybacks and partially offset by foreign exchange movements and expenses and taxes.	• Investing in high-performing private companies alongside and through top-tier private equity managers globally, to maximise long-term capital growth. • Containing costs and risks by constructing a well-diversified portfolio in a cost-efficient manner.	• Valuations provided by the underlying private equity managers. • Fluctuations in currency exchange rates. • Tax efficiency of investments. • Prevailing share price discount to NAV per share. • Effect of financing (cash drag) on performance. • Ongoing charges relative to NAV growth and listed private equity peer group.
Five-year cumulative total shareholder return 40.4%	Total shareholder return constitutes the return to investors, after taking into account share price movements (capital growth) and any share buybacks during the period. The Board's strategy is to deliver returns for shareholders through the growth in NAV and not through the payment of	30 Nov 2022 44.7% 30 Nov 2023 43.4% 30 Nov 2024 40.4%	• PIP's ordinary shares had a closing price of 326.5p at the half year end (31 May 2024: 326.0p). This was a 0.2% increase over the six month period. • Share price discounts to NAV have remained wide in the listed private equity sector. The discount on PIP's shares was 35% at the half-year end (31 May 2024:34%).	• Maximise shareholder returns through long-term capital growth. • Promote better market liquidity and narrow the discount by building demand for the Company's shares.	• Rate of NAV growth relative to listed markets. • Trading volumes for the Company's shares. • Share price discount to NAV.

	the payment of dividends.				
Portfolio investment return 3.2%[1]	Portfolio investment return measures the total movement in the valuation of the underlying companies and funds comprising PIP's portfolio, expressed as a percentage of the opening portfolio value, before taking foreign exchange effects and other expenses into account.	6M to Nov 2022 0.9% 6M to Nov 2023 1.5% 6M to Nov 2024 3.2%	• Modest increase in underlying portfolio valuation against a backdrop of market volatility. • PIP's portfolio is actively managed and focuses on resilient, high-growth sectors. • PIP's portfolio return for the half year was mainly driven by the buyout segment, which accounts for 73% of the portfolio.	• Maximise shareholder returns through long-term capital growth.	• Performance relative to listed markets and private equity peer group. • Valuations provided by private equity managers.
Liquidity					
Net portfolio cash flow[1] £45m	Net portfolio cash flow is equal to distributions less capital calls to finance investments, and reflects the Company's capacity to finance calls from existing investment commitments. PIP manages its maturity profile through a mix of primaries, secondaries and co-investments to ensure that its portfolio remains cash-generative at the same time as maximising the potential for growth.	6M to Nov 2022 £34m 6M to Nov 2023 £30m 6M to Nov 2024 £45m	• PIP's portfolio generated £118m (six months to 30 November 2023: £112m) of distributions versus £73m of calls (six months to 30 November 2023: £82m). • In addition, the Company made new commitments of £88m (six months to 30 November 2023: £15m) during the half year, £33m of which was drawn at the time of purchase (30 November 2023: £15m). • As at 30 November 2024, PIP's portfolio had a weighted average age of 5.4 years[2] (30 November 2023: 5.0 years).	• Maximise long-term capital growth through ongoing portfolio renewal while controlling financing risk.	• Relationship between outstanding commitments and NAV. • Portfolio maturity and distribution rates by vintage. • Commitment rate to new investment opportunities.
Gearing[3] (9.2%)	Gearing relates to how much debt is utilised in PIP's capital structure and is expressed as net debt (borrowings excluding the ALN less cash) as a percentage of NAV. The Board appreciates gearing is a differentiator of the investment trust structures, and that a measured use of debt can eliminate cash drag and enhance investment returns. PIP's approach to gearing remains conservative. The Board does not currently expect net leverage to exceed 10% of NAV under normal	30 Nov 2022 2.1% 30 Nov 2023 (4.3%) 30 Nov 2024 (9.2%)	• PIP's net debt as a percentage of the Company's NAV as at 30 November 2024 was 9.2% (30 November 2023: net debt to NAV ratio was 4.3%). • As at 30 November 2024, PIP has utilised £116m of its £400m revolving credit facility, and has £118m of private placement loan notes outstanding. • PIP's net debt to NAV ratio is lower than the relevant peer group average of 12.9%[4].	• Measured use of leverage to reduce cash drag and enhance NAV growth. • Adopt a more efficient use of balance sheet capital to reduce cash drag.	• Utilisation level of the revolving credit facility. • Anticipated distribution levels and impact on liquidity position. • Leverage relative to listed private equity peer group.

	market conditions.				
Undrawn coverage ratio[5] 79%	The undrawn coverage ratio is the ratio of available financing and 10% of private equity assets to undrawn commitments. The undrawn coverage ratio is an indicator of the Company's ability to meet outstanding commitments, even in the event of a market downturn.	30 Nov 2022 102% 30 Nov 2023 88% 30 Nov 2024 79%	• The current undrawn coverage ratio reflects modest use of leverage and the right-sizing of the credit facility. • The optimisation of PIP's balance sheet will enable the Company to further enhance its performance, by allowing PIP to lean into attractive opportunities across market cycles and by reducing cash drag. • PIP's undrawn coverage ratio is prudent as we expect outstanding commitments to be drawn over a number of years as evidenced by PIP's 10-year average call rate (23% of opening undrawn commitments). • A 79% undrawn coverage ratio is comfortable relative to the 25% minimum required under existing loan covenants.	• Flexibility in portfolio construction, allowing the Company to select a mix of manager-led secondaries, co-investments and primaries, and vary investment pace, to achieve long-term capital growth. • The vintage diversification of unfunded commitments helps PIP manage future capital calls.	• Relative weighting of primary, secondary and co-investments in the portfolio. • Level of undrawn commitments relative to gross assets. • Trend in distribution rates. • Ability to access debt markets on favourable terms.

[1] Excludes valuation gains and/or cash flows associated with the Asset Linked Note ("ALN").

[2] Excludes the portion of the reference portfolio attributable to the ALN.

[3] Net cash (debt) to NAV.

[4] Relevant peer group comprised: CT Private Equity Trust, HarbourVest Global Private Equity, ICG Enterprise Trust and Patria Private Equity Trust. Data as at 30 November 2024.

[5] Outstanding commitments relating to funds outside their investment period (>13 years old), amounting to £42m as at 30 November 2024 (30 November 2023: £45m), were excluded from the calculation as there is a low likelihood of these being drawn.

OPTIMISING PIP'S CAPITAL STRUCTURE

We aim to build a sustainable, diverse and flexible capital structure that can support PIP's corporate and investment strategies.

PIP has a resilient, long-term and sustainable capital structure, with access to both traditional lenders in the form of a £400m revolving credit facility ("credit facility") as well as institutional investors via USD 150m of private placement loan notes ("loan notes"). As a result of its proactive approach to managing vehicle financing, PIP has successfully diversified its financing counterparties, expanded its sources of liquidity and reduced refinancing risk.

New investments, calls on undrawn commitments and share buybacks will be funded primarily by distributions and, where appropriate, short-term drawdowns from the credit facility.

Minimal gearing level

As at 30 November 2024, PIP had £116m drawn down under the credit facility and £118m of sterling-equivalent loan notes outstanding. Taken in conjunction with PIP's net available cash of £21m, this results in a conservative net debt[1] to NAV ratio of 9.2%. The Board currently does not expect net leverage to exceed 10.0% of NAV under normal market conditions.

Undrawn commitments by vintage[2]

PIP's undrawn commitments were £759m as at 30 November 2024 (31 May 2024: £789m). Of the £759m undrawn commitments as at the period end, £42m (31 May 2024: £42m) relate to funds that are more than 13 years old, and therefore outside their investment periods. Generally, when a fund is past its investment period, it cannot make any new investments and only draws capital to fund follow-on investments or to pay expenses. As a result, the rate of capital calls by these funds tends to slow dramatically.

2024 and later	23%	2018	4%
2023	16%	2017	3%
2022	22%	2016	2%
2021	13%	2015	3%
2020	3%	2014 and earlier	7%
2019	4%		

Managing our financing cover

We regularly stress test PIP's balance sheet against a range of scenarios and market conditions to ensure that it is well positioned for the long term. We manage PIP to ensure that it has sufficient liquidity to finance its undrawn commitments, which represent capital committed to funds but yet to be drawn by the private equity managers, as well as to take advantage of new investment opportunities. A critical part of this exercise is ensuring that the undrawn commitments do not become excessive relative to PIP's private equity portfolio and available financing. We achieve this by managing PIP's investment pacing as well as constructing its portfolio to ensure the right balance of exposure to primaries, manager-led secondaries and co-investments.

As at 30 November 2024, PIP had net available cash[3] balances of £21m (31 May 2024: £16m).

In addition to these cash balances, PIP also has access to a multi-currency revolving credit facility. The Company's credit facility was right-sized to a £400m equivalent commitment (from a £500m equivalent commitment) in October 2024, with the flexibility for this to be increased to £700m under the existing structure, subject to the consent of the participating lenders. The credit facility will expire in October 2028 with an ongoing option to extend, by agreement, the maturity date by 364 days at a time.

Using exchange rates as at 30 November 2024, the credit facility amounted to a sterling equivalent of £409m, of which £293m remained undrawn as at the half year.

With £21m of net available cash and an undrawn credit facility of £293m, PIP had £314m of available financing as at 30 November 2024 (31 May 2024: £414m) which, along with the value of the private equity portfolio, provides comfortable cover of 4.0 times (31 May 2024: 3.9 times) relative to undrawn commitments for funds within their investment periods.

Another important measure is the undrawn coverage ratio, which is the ratio of available financing and 10% of private equity assets to undrawn commitments. The undrawn coverage ratio is a key indicator of the Company's ability to meet outstanding commitments, even in the event of a market downturn, and was 79% as at 30 November 2024 (31 May 2024: 89%)[4] against a bank loan requirement of maintaining this covenant above 25%.

[1]*Net debt calculated as borrowings (excluding the outstanding balance of the ALN) less net available cash. The ALN is not considered in the calculation of gross borrowings or the loan-to-value ratio, as defined in PIP's credit facility and loan notes agreements. If the ALN is included, net debt to NAV was 10.3% as at 30 November 2024.*

[2]*Includes undrawn commitments attributable to the reference portfolio related to the ALN.*

[3] *The available cash and loan figure excludes the current portion payable under the ALN, which amounted to £26m as at 30 November 2024.*

[4]*Excludes outstanding commitments relating to funds outside their investment period (>13 years old), amounting to*

Excludes outstanding commitments relating to funds outside their investment period (>13 years old), amounting to £42m as at 30 November 2024 (31 May 2024: £42m).

INVESTMENT POLICY

Our investment policy is to maximise capital growth with a carefully managed risk profile.

The Company's policy is to make unquoted investments. It does so by subscribing to investments in new private equity funds ("Primary Investment"), buying secondary interests in existing private equity funds ("Secondary Investment") including manager-led secondaries, and acquiring direct holdings in unquoted companies ("co-investments"), usually either where a vendor is seeking to sell a combined portfolio of fund interests and direct holdings or where there is a private equity manager, well known to the Company's Manager, investing on substantially the same terms.

The Company may, from time to time, hold quoted investments as a consequence of such investments being distributed to the Company from its fund investments as the result of an investment in an unquoted company becoming quoted. In addition, the Company may invest in private equity funds which are quoted. The Company will not otherwise normally invest in quoted securities, although it reserves the right to do so should this be deemed to be in the interests of the Company.

The Company may invest in any type of financial instrument, including equity and non-equity shares, debt securities, subscription and conversion rights and options in relation to such shares and securities, and interests in partnerships and limited partnerships and other forms of collective investment schemes. Investments in funds and companies may be made either directly or indirectly, through one or more holding, special purpose or investment vehicles in which one or more co-investors may also have an interest.

The Company employs a policy of over-commitment. This means that the Company may commit more than its available uninvested assets to investments in private equity funds on the basis that such commitments can be met from anticipated future cash flows to the Company and through the use of borrowings and capital raisings where necessary.

The Company's policy is to adopt a global investment approach. The Company's strategy is to mitigate investment risk through diversification of its underlying portfolio by geography, sector and investment stage. Since the Company's assets are invested globally on the basis, primarily, of the merits of individual investment opportunities, the Company does not adopt maximum or minimum exposures to specific geographic regions, industry sectors or the investment stage of underlying investments.

In addition, the Company adopts the following limitations for the purpose of diversifying investment risk:

- No holding in a company will represent more than 15% by value of the Company's investments at the time of investment (in accordance with the requirement for approval as an investment trust which applied to the Company in relation to its accounting periods ended on and before 30 June 2012).

- The aggregate of all the amounts invested by the Company (including commitments to or in respect of) in funds managed by a single management group may not, in consequence of any such investment being made, form more than 20% of the aggregate of the most recently determined gross asset value of the Company and the Company's aggregate outstanding commitments in respect of investments at the time such investment is made.

- The Company will invest no more than 15% of its total assets in other UK-listed closed-ended investment funds (including UK-listed investment trusts).

The Company may invest in funds and other vehicles established and managed or advised by Pantheon or any Pantheon affiliate. In determining the diversification of its portfolio and applying the Manager's diversification requirement referred to above, the Company looks through vehicles established and managed or advised by Pantheon or any Pantheon affiliate.

The Company may enter into derivatives transactions for the purposes of efficient portfolio management and hedging (for example, hedging interest rate, currency or market exposures).

Surplus cash of the Company may be invested in fixed interest securities, bank deposits or other similar securities.

The Company may borrow to make investments and typically uses its borrowing facilities to manage its cash flows flexibly, enabling the Company to make investments as and when suitable opportunities arise, and to meet calls in relation to existing investments without having to retain significant cash balances for such purposes. Under the Company's Articles of Association, the Company's borrowings may not at any time exceed 100% of the Company's NAV. Typically, the Company does not expect its gearing to exceed 30% of gross assets. However, gearing may exceed this in the event that, for example, the Company's future cash flows alter.

The Company may invest in private equity funds, unquoted companies or special purpose or investment holding vehicles which are geared by loan facilities that rank ahead of the Company's investment. The Company does not adopt restrictions on the extent to which it is exposed to gearing in funds or companies in which it invests.

MANAGER'S REVIEW

OUR MARKET

An improved outlook for deal activity

Helen Steers MBE and Charlotte Morris, Partners at Pantheon and Co-Lead Managers of PIP, discuss how in 2025, following a challenging period, the stage is set for increased investment and exit activity in the private equity market.

The macroeconomic environment in 2024 was marked by a gradual easing of inflation and initial reductions in interest rates from their recent highs, amid persistent geopolitical tensions. Central banks, having raised interest rates significantly since the inflation peaks of 2022, began to cut rates as inflation in both the USA and Europe moderated by the end of 2024, although still above target levels.

In 2024, public and private markets benefitted from a stabilising macroeconomic environment and increasing business confidence although challenges have remained. However, public market performance was concentrated, driven by the so-called "Magnificent 7" stocks[1] which account for a large and growing slice of the market.

Furthermore, the ongoing shrinkage in the number of public companies globally, as the number of private equity-backed companies increases, presents additional challenges for investors. Over the past 20 years, the number of publicly traded companies in the USA has reduced by 13% while the number of US private equity-backed companies has increased by over 270%[2], and this phenomenon has been repeated all over the world. With public markets becoming increasingly concentrated and inaccessible or unattractive to smaller, fast-growing businesses, having exposure to the private company opportunity set could become increasingly important for investors.

Deal activity is starting to pick up in the private equity market

The last two years have been characterised by a prolonged period of lower deal activity, which has led to subdued exit activity and low distribution rates across the private equity industry. We have seen this reflected in PIP's own portfolio both during the six-month period and during the financial year before that. However, the reduction of interest rates from recent highs, and the gradual return of business confidence has started to positively impact the mergers and acquisitions ("M&A") market, creating a more conducive environment for deals. In 2024, global M&A deal value increased by 15% year-on-year[3], while private equity deal volume in 2024 exceeded USD 1.5tn, an 11% increase from 2023, though still below the 2021 peak[4]. Sentiment has improved as the interest rate environment has improved and inflation has stabilised. Further cuts in interest rates are likely to stimulate more dealmaking.

In 2024, business confidence and M&A activity was also impacted by a number of government elections being held around the world, and was delayed in particular by the US elections. Many PE managers waited for more certainty about what a change in administration might mean for policy decisions, and therefore the impact on targeted investment opportunities. At the period end, just over half of PIP's portfolio was invested in the USA. It is too early to predict what might happen under the new Trump administration, and the potential imposition of tariffs could result in a range of outcomes that affect portfolio companies in different ways. Nevertheless, the indications are that this administration is in favour of deregulation and the potential expansion of tax cuts for corporations, both of which should be beneficial for private equity managers and their portfolio companies in the region, especially those with domestic activities.

Although it will not be immediate, we anticipate an increase in deals and exits over the next couple of years. We expect to see a gradual increase in activity in 2025, with further growth next year rather than a sudden surge of deals hitting the market. Sales processes in private markets can be lengthy, since deal negotiations and legal processes take time to complete, but we are encouraged to see that, as confidence returns to the overall M&A market, an increasing number of companies within PIP's portfolio are already on the exit ramp.

As a result of the ongoing macroeconomic challenges, PIP's NAV performance, in line with the broader listed private equity sector, was muted during the six-month period. However it should be noted that private equity is a long-term asset class and performance should be viewed through that lens. In addition, PIP's track record of weathering different market cycles over the past 37 years gives us confidence in PIP's prospects once the M&A market recovers with more pace.

Exits are still being achieved at substantial uplifts

We believe that good-quality and scarce assets will continue to attract buyers at compelling valuations. Corporate buyers, many of which are sitting on cash, do not want to miss out on an interesting acquisition opportunity and risk the target being purchased by a competitor or by a private equity manager and then having to wait a further five or six years before having another chance to acquire the company. In addition, when our managers have sold their portfolio companies, they have realised their investments at a substantial uplift on exits in PIP's portfolio to their holding values. For example, during the period the weighted average uplift on exits in PIP's portfolio was 26%. We believe that this demonstrates the embedded value and high-quality assets in PIP's portfolio. This is not a phenomenon specific to this period but is a trend that we have observed for many years. Over the last ten years, the average uplift upon exit of PIP's portfolio companies has been 30%.

Fundraising in private equity expected to increase in the year ahead

Despite the challenging macroeconomic environment, institutional investors have been clear about their intentions to allocate more to private equity in 2025[5]. Investors are attracted to private equity primarily because of the return potential. An inherent characteristic of private equity managers is their flexibility and ability to respond nimbly to changing market conditions. Private equity-backed businesses benefit not only from capital investment, but also from having access to operational expertise, ranging from specialist consultants to former CEOs acting as advisers or board members. Private equity's long-term investment horizon, coupled with direct control through which private equity managers can bring operational skill to bear, means that private equity managers are afforded the time to effectively execute their value-add theses without being burdened by mark-to-market volatility, or the pressure to hit short-term profitability targets. Given investment returns have remained strong and the asset class continues to be compelling, there is likely to be a notable uptick in fundraising activity across private equity this year.

Focusing on mid-market opportunities in resilient sectors

We see opportunities across the private equity landscape and continue to focus on businesses with strong fundamentals. On behalf of PIP, we are backing top-quality managers who are sector specialists, focusing on resilient, non-cyclical sectors that are benefiting from long-term trends, such as automation and digitalisation and ageing demographics. We believe that as a result of PIP's sector exposure and the hands-on approach of the underlying private equity manager when managing their portfolio companies, as described already, PIP's portfolio is well positioned to navigate economic cycles. Our confidence is underpinned by the annualised revenue and EBITDA growth in PIP's buyout portfolio, which has continued to exceed the revenue and EBITDA growth of companies that constitute the MSCI World index over the last five years (see table below).

Annualised revenue and EBITDA growth in PIP's portfolio (2020 to 2024)[6]

	5-year annualised revenue growth[7]	**5-year annualised EBITDA growth[7]**
PIP	17%	19%
MSCI World Total Return	9%	8%

Looking ahead, business services are also becoming increasingly appealing as companies are aiming to streamline their operations by outsourcing non-core functions. In the realm of professional services, there is a notable roll-up opportunity, especially in accounting and legal firms. Industrial services also present a promising area for investment. While PIP is not investing directly in companies that develop artificial intelligence ("AI"), AI tools continue to be used extensively by our private equity managers, and Pantheon itself, to efficiently monitor and manage portfolios. In addition, a number of companies in PIP's portfolio use AI to capture data and to take advantage of the benefits that it can offer to improve products and services. We expect to see AI used increasingly by portfolio companies where relevant as the application of it becomes more sophisticated.

The majority of PIP's portfolio is invested in buyouts, which are well-established businesses where institutional investors have control of the company alongside suitably aligned management teams. PIP focuses on small/mid-market buyouts in the developed markets of the USA and Europe. We favour this part of the market as we believe that it offers a number of benefits and favourable deal dynamics as the target companies are often founder or family-led and may be receiving institutional capital for the first time. As a result, there are many pathways for value creation as the companies achieve operational improvements, increase their scale, expand geographically and complete add-on acquisitions, all with the help (as well as the capital provided) of the private equity manager and their operational experts. Also, small /mid-cap private equity managers typically use more moderate levels of debt compared with those at the large/mega end of the industry, and rely more on operational improvement than financial engineering to create value.

The availability of several exit routes is another important factor. Private equity-backed, mid-market companies are prime targets for strategic (or trade) buyers as well as for large/mega buyout private equity managers, who can take the companies through their next stage of growth. Dry powder, which is capital that has been raised and is available to invest but has not yet been deployed, has grown from USD 1.2tn to USD 1.5tn in five years, creating a significant buildup[8]. Interestingly, this is concentrated among the larger buyout private equity managers, which means that this capital is available to purchase assets from small/mid-market managers. Therefore, mid-market private equity managers are less dependent on initial public offerings ("IPO") to exit their portfolio companies. During the half year to 30 November 2024, 46% of the exits in PIP's portfolio were to private equity buyers, 43% were to strategic buyers, and only 9% to IPO and public share sales. We expect the mid-market to remain of particular interest in 2025 and the current macroeconomic environment has set the stage favourably for this segment.

Strong and sustained growth in the secondaries market

The secondaries market has seen significant growth in recent years and last year secondaries volume hit a new record of USD 160bn[9]. In 2025, the continuing demand for liquidity and exits is expected to drive expansion even further. Factors such as low distributions, ageing portfolios, and a recovering exit market position the secondaries market for continued success.

In this market, PIP focuses on manager-led secondaries and at the end of the period, they accounted for 21% of PIP's portfolio. Manager-led secondaries are when the private equity managers themselves instigate deals and they can consist of either multi-asset portfolios or single-asset secondaries. A single-asset secondary is an investment into an individual company owned by an existing private equity fund. The private equity manager may see further growth opportunities for the company in the near-term but be restricted by the fund term. Another common situation is where the manager may be looking to secure further capital to support growth which may not be available in the current structure. However, the company in question could be a highly prized asset that the manager believes has significant further potential for growth and as such wants to continue to hold on to it.

These competing priorities can be resolved by bringing in new investment, typically from specialised secondary firms, and carving the company out into a new structure which is often termed a "continuation fund". Existing investors are able to sell and take the liquidity on offer, should they wish, or they can choose to roll their interests into the new vehicle that houses the company and continue to participate in the value creation phase of the investment. These transactions allow the fund managers to remain invested and keep control of the asset, which they would otherwise have been required to sell.

Continuation vehicles are becoming a standard liquidity tool in the secondary market. In a persistently illiquid environment, investors are increasingly open to new solutions, and this is one that has gained acceptance among both investors and private equity managers. In 2024, these kinds of deals accounted for 44%[9] of secondary deal flow and we expect to see further growth in this part of the market as it continues to mature and evolve in the years ahead. This is a specialised area of the market and our deep and experienced secondaries team at Pantheon remains highly selective when making investments of this type on behalf of PIP.

Co-investing in high-quality private companies alongside our selected managers

As well as accessing direct company investments through single-asset secondaries, PIP also co-invests

As well as accessing direct company investments through single-asset secondaries, PIP also co-invests directly into private companies alongside our carefully selected managers. At the period end, co-investments accounted for 34% of PIP's portfolio. When PIP invests in a co-investment, it is typically when the private equity manager is also investing in the company for the first time, unlike a single-asset secondary where the manager has already owned the company for some time. All of our co-investment opportunities pass through a "double quality filter", since each opportunity has first been evaluated by a private equity manager, who themselves have passed our rigorous manager selection hurdles. The opportunity is then subjected to our own detailed due diligence process, carried out by our dedicated co-investment team, who will confirm, among other things, that the deal is a good fit for the manager. Co-investment deals are typically free of fees, which makes them economically very attractive as well. Our stringent process means that our approval rate for the co-investment deals that we reviewed in 2024 was just 14%, which is in line with our long-term average.

Conclusion

The private equity market is growing and assets under management globally are expected to reach c.USD 12tn by 2029[10]. We believe that private equity offers unique benefits, and that private market investments should be accessible to all investors. An investment in a company like PIP democratises this opportunity, providing individuals and small institutions with the same advantages as larger investors who have traditionally committed large pools of capital to private equity and are able to lock up their investments for a long period of time.

We have managed and advised PIP since it was launched in 1987 and it has been designed to provide an "all weather", high-quality, low-risk portfolio that can withstand macroeconomic volatility and market cycles. Although NAV performance has been subdued during the period, as we look ahead, we believe that PIP has the track record and credentials to continue to perform well and create value over the long term.

[1] *"Magnificent 7" stocks: Apple, Microsoft, Alphabet, Amazon, Nvidia, Meta Platforms and Tesla.*

[2] *Source: PitchBook and World Federation of Exchanges.*

[3] *S&P Global Market Intelligence as at 31 December 2024. Data compiled 30 January 2025.*

[4] *PitchBook as at 31 December 2024.*

[5] *Source: Preqin investor surveys as at November 2024.*

[6] *Source: Bloomberg. Five-year annualised figures are derived from underlying annual performance growth data.*

[7] *The underlying revenue and EBITDA growth buyout figures for the 12 months to 30 June 2024 were calculated using all the information available to the Company. The figures are based on unaudited data. MSCI data was sourced from Bloomberg. See the Alternative Performance Measures section in the Full Half Year Report for data calculations and disclosures.*

[8] *Source: Preqin as at 31 December 2024. Excludes fund of funds and secondaries to avoid double-counting.*

[9] *Source: Evercore as at January 2025. "FY 2024 Secondary Market Review".*

[10] *Source: Preqin 2025 Global Report, Private Equity.*

PORTFOLIO AS AT 30 NOVEMBER 2024

Since its inception, PIP has been able to generate market-beating returns while at the same time structuring its portfolio to minimise the risks typically associated with private equity investments. Our established portfolio of assets has been carefully selected, based on the strengths of our appointed private equity managers, actively monitored and diversified to reduce specific timing, regional and sector risks, and managed to maximise growth and liquidity over time.

Type, region, stage and sector

More than half of the portfolio is in direct company investments, which increases PIP's flexibility over portfolio construction and investment deployment.

Investment type[1]	
Primaries	35%
Co-investments	34%
Manager-led secondaries	21%
Fund secondaries	10%

55% invested directly in companies.

Weighted towards the more developed private equity markets in the USA and Europe.

Region[1]	
USA	54%
Europe	31%

Global[2]	8%
Asia	7%

Well-diversified with an emphasis on the buyout stages which have delivered resilient returns through cycles.

Stage[1]	
Small/mid buyout	47%
Large/mega buyout	26%
Growth	19%
Special situations	4%
Venture	4%

Focus on high-growth and resilient sectors.

Sector[3]	
Information technology	33%
Healthcare	20%
Consumer	13%
Industrials	11%
Financials	11%
Communication services	7%
Energy	2%
Materials	2%
Others	1%

[1] Investment type, region and stage data is based upon underlying fund and company valuations. The data excludes the portion of the reference portfolio attributable to the Asset Linked Note ("ALN").

[2] Global category contains funds with no target allocation to any particular region equal to or exceeding 60%.

[3] The company sector chart is based upon underlying company valuations as at 30 September 2024, adjusted for calls and distributions to 30 November 2024. These account for 100% of PIP's overall portfolio value.

Vintage profile[1]

PIP's portfolio is carefully constructed to balance performance and liquidity requirements

PIP's portfolio has a weighted average age of 5.4 years which we believe optimises the potential for outperformance and cash flow generation.

2024 and later	4%
2023	5%
2022	19%
2021	14%
2020	8%
2019	12%
2018	11%
2017	8%
2016	7%
2015 and earlier	12%

[1] The vintage profile data is based upon underlying fund and company valuations. The data excludes the portion of the reference portfolio attributable to the ALN.

PERFORMANCE

PIP's portfolio value has increased modestly over the period. Buyout continues to deliver consistent returns while venture, although it can be more volatile, has outperformed other stages. Access to top-performing managers and a tilt towards resilient and high-growth sectors have helped PIP withstand the current macroeconomic environment.

Private equity portfolio movements

PIP's portfolio registered positive growth

PIP's portfolio generated returns of +3.2% during the six-month period[1] against a challenging backdrop for private equity.

Portfolio value 31 May 2024	£2,468m
Valuation gains[1]	£80m
Foreign exchange impact[1]	(£8m)
Distributions[1]	(£118m)
Calls[1]	£73m
New investments[2]	£33m
Portfolio value 30 November 2024	£2,528m

[1] Excluding returns attributable to the ALN share of the portfolio.

[2] *Amount drawn down at the time of commitment.*

Valuation movement by type[1]

Positive returns across all investment stages

The outperformance of fund secondaries in the half year was driven primarily by a portfolio company exit, Arnott Industries, that generated above-average uplifts over its holding value.

	Closing portfolio NAV%	Return
Fund secondaries	10%	5.2%
Primaries	35%	3.8%
Manager-led Secondaries	21%	3.1%
Co-investments	34%	2.6%

Valuation movement by stage[1]

Positive performance across all stages in PIP's portfolio

Venture outperformed in the six-month period but only accounts for a small proportion of the overall portfolio. Buyout returns have been stable and consistently positive over the last five years.

	Closing portfolio NAV%	Return
Venture	4%	12.0%
Large/mega buyout	26%	4.6%
Small/ mid buyout	47%	2.9%
Special situations	4%	2.2%
Growth	19%	1.4%

Valuation movement by region[1]

Positive performance across all regions

PIP's globally positioned portfolio registered positive portfolio valuation gains across all the geographies.

	Closing portfolio NAV%	Return
Europe	31%	3.8%
USA	54%	3.4%
Global	8%	2.9%
Asia	7%	2.3%

[1] *Portfolio returns include income, exclude gains and losses from foreign exchange movements, and look-through underlying vehicle structures to the underlying funds. Portfolio returns exclude returns generated by the portion of the reference portfolio attributable to the ALN, and are calculated by dividing valuation gains by opening portfolio values.*

REALISATIONS

PIP's mature portfolio continued to generate distributions despite a subdued exit environment. Distributions have been incremental to returns, with many reflecting realisations at significant uplifts to carrying value. There have been c.300 distributions from PIP's portfolio during the period.

Uplifts on exit realisations[1]

Over the last ten years, the weighted average uplift on exit was +30%

The value-weighted average uplift on exit realisations in the half year was +26%, consistent with our view that realisations can be incremental to returns.

The method used to calculate the average uplift is to compare the value at exit with the value of the investment 12 months prior to exit or, if known, the latest valuation unaffected by pricing effects arising from market participants becoming aware of the imminent sale of an asset.

Cost multiples on exit realisations[1]

Over the last ten years, the average cost multiple on exit was 3.0 times

The average cost multiple on exit realisations[1] was 3.1 times for the six-month period to 30 November 2024. This demonstrates value creation over the course of PIP's investment.

The cost multiple data covers approximately 56% by value of proceeds from exit realisations for the half year to 30 November 2024. The data covers primary investments, manager-led secondaries and co-investments. It is based upon all gross cost multiples available at the time of the distribution.

Exit realisations by sector and type

The majority of exits were in the Consumer sector and through secondary buyouts and strategic sales

Realisation activity was strongest in the consumer and information technology sectors. Secondary buyouts and strategic sales represented the most significant sources of exit activity during the year.

Exit realisations by sector[2]

For the half year to 30 November 2024

Consumer	38%
Information Technology	21%
Healthcare	19%
Financials	13%
Industries	7%
Other	2%

Exit realisations by type[2]

For the half year to 30 November 2024

Secondary buyouts	46%
Strategic sales	43%
IPO[3] and public share sale	9%
Refinancing and recapitalisation	2%

1 See the Alternative Performance Measures section in the Full Half Year Report for weighted average uplift and weighted average cost multiple calculations and disclosures.

2 The data coverage is 100% (for exit realisations by sector) and 99% (for exit realisations by type) of proceeds from exit realisations received during the period.

3 Initial Public Offering.

NET PORTFOLIO CASH FLOW

Net portfolio cash flow equals distributions less capital calls.

A continued focus on the portfolio's maturity profile means that PIP is well-positioned to generate positive cash flows.

With an average distribution rate of 21%, PIP's portfolio has been cash flow positive over the last ten years.

During the period, PIP's net portfolio cash flow was £45m. PIP has generated £1.7bn of net cash over the last ten years.

Net positive cash flow generation has continued despite lower levels of exit activity.

We have observed a notable improvement in the volume of exit realisations. The net portfolio cash flow generated in the half year to 30 November 2024 exceeded the net portfolio cash flow generated for the full financial year to 31 May 2024. Refer to the section called Our Market above for more details on the private markets.

DISTRIBUTIONS

With a weighted average fund maturity of 5.4 years at 30 November 2024 (31 May 2024: 5.2 years), PIP's portfolio continued to generate positive net cash.

PIP received £118m in proceeds from PIP's portfolio in the six month period to 30 November 2024 (six-month period to 30 November 2023: £112m) equivalent to an annualised distribution[1] rate of 10% of opening portfolio value (31 May 2024: 8%).

Quarterly distribution rates[1]

A robust cash-generative portfolio

PIP has continued to generate cash despite a slowdown in distributions in the wider private equity market.

1 Distribution rate equals distributions in the period (annualised) divided by opening portfolio value.

CALLS

PIP paid £73m to finance calls on undrawn commitments during the six-month period to 30 November 2024 (six-month period to 30 November 2023: £82m).

Quarterly call rate[1]

The observed call rate is below historical average levels and is a reflection of the subdued M&A market

The annualised call rate[1] for the six-month period to 30 November 2024 was equivalent to 19% of opening undrawn commitments (31 May 2024: 18%).

[1] *Call rate equals calls in the period (annualised) divided by opening undrawn commitments. All call figures exclude the acquisition cost of new secondary and co-investment transactions.*

NEW COMMITMENTS

The Company intentionally managed its investment pacing for direct company investments to ensure liquidity was preserved in a market environment experiencing lower exit levels than historically. Co-investments and manager-led secondaries tend to be highly funded at deal completion. The timing of primary commitments is linked to the fundraising cycles of a targeted buy list of private equity managers.

PIP made ten new investments during the half year to 30 November 2024, amounting to £88m in new commitments. These commitments were to five primary funds (£51m), two co-investments (£21m) and three manager-led secondaries (£16m).

In addition, PIP was able to deploy capital to capture value for its shareholders, by acquiring its own shares at a significant discount to NAV. During the financial year, the Company invested £12.7m (excluding costs and stamp duty) in share buybacks at an average discount of 34%.

Our investment process

Investment opportunities in companies and complementary funds are originated via Pantheon's extensive and well-established platform.

We invest with many of the best private equity managers who are able to identify and create value in their portfolio companies.

Cash generated from the sale of those companies is returned to PIP and redeployed into new investment opportunities, including share buybacks in accordance with the capital allocation policy.

New commitments by region	
USA	64%
Europe	36%

New commitments by stage	
Small/mid buyout	80%
Growth	20%

New commitments by type	
Primaries	58%
Co-investments	24%
Manager-led secondaries	18%

BUYOUT ANALYSIS

Over the past 12 months, the weighted average revenue and EBITDA growth for PIP's buyout portfolio was 11% and 16% respectively. PIP's five-year average revenue and EBITDA growth have exceeded growth rates seen among companies that constitute the MSCI World Index. Strong top-line performance, disciplined cost control, operational expertise and good earnings growth, together with an efficient use of capital, underpin the investment thesis of our private equity managers.

Revenue and EBITDA growth

Growth in PIP's buyout portfolio companies have, on average, outperformed the MSCI

The underlying portfolio company buyout data for the 12 months to 30 June 2024 includes all the information available to the Company. The data coverage for Revenue and EBITDA growth figures was 61% and 64% of PIP's buyout portfolio NAV, respectively. The figures are based on unaudited data. MSCI World index data was sourced from Bloomberg. See the Alternative Performance Measures section in the full Half Year Report for data calculations and disclosures.

Valuation multiple

Accounting standards require private equity managers to value their portfolios at fair value. Public market movements can be reflected in valuations.

PIP's NAV-weighted average Enterprise Value ("EV")/EBITDA was 16.9x times compared with 22.5x times for the MSCI World Index.

PIP invests proportionately more in high-growth sectors such as mission-critical B2B information technology and healthcare, and these sectors tend to trade at a premium relative to other sectors.

PIP's valuation multiple reflects a heavier weighting towards the Information Technology and Healthcare sectors
The valuation multiple data covers approximately 47% (30 November 2023: 58%) of PIP's buyout portfolio. The underlying portfolio company buyout data includes all the information available to the Company.

Buyout portfolio*	
Information technology	29%
Healthcare	20%
Consumer	16%
Industrials	14%
Financials	12%
Communication services	6%
Materials	2%
Others	1%

MSCI World**	
Information technology	26%
Consumer	16%
Financials	15%
Healthcare	12%
Industrials	11%
Others	8%
Communication services	8%
Materials	4%

** 100% coverage of buyout portfolio.*

*** As at 30 June 2024.*

Debt multiples
Venture, growth and buyout investments have differing leverage characteristics.

PIP's buyout debt multiples are broadly in line with what we observed in the wider market.

The venture and growth portfolios have little or no leverage.

Prudent gearing in PIP's buyout portfolio companies
The buyout figures for the 12 months to 30 June 2024 were calculated using all the information available to the Company. The figures are based on unaudited data. The debt multiple data covers approximately 45% (30 November 2023: 60%) of PIP's buyout portfolio. See the Alternative Performance Measures section in the Full Half Year Report for data calculations and disclosures.

	% of PIP's portfolio	**Debt multiple**
Small/mid buyout	47%	5.1x
Large/mega buyout	26%	5.2x

LARGEST 50 COMPANIES BY VALUE[1]
488 companies (31 May 2024: 513) comprise 80% of PIP's NAV as at 30 November 2024.

Rank	Company	Country[2]	Sector	Investment type	Description
1	Kaseya	Switzerland	Information technology	Co-investment; Fund secondary	Provider of IT m monitoring softw
2	Visma	Norway	Information	Primary; Co-investment	Provider of softw

			technology		finance and HR
3	Action	Netherlands	Consumer	Manager-led secondary	Non-food disco
4	Smile Doctors	USA	Healthcare	Manager-led secondary	Orthodontic trea provider
5	JSI	USA	Industrials	Manager-led secondary	Consultant to te service provider
6	Froneri	UK	Consumer	Manager-led secondary	Ice cream and f
7	MRO	USA	Healthcare	Co-investment; primary	Provider of disc services
8	Valantic	Germany	Information technology	Manager-led secondary	Digital consultin company
9	Shiftkey	USA	Healthcare	Manager-led secondary	Recruitment pla
10	Omni Eye Services	USA	Healthcare	Manager-led secondary	Specialist eye t
11	doit	USA	Information technology	Co-investment	Provider of clou engineering ser
12	Anaplan	USA	Information technology	Co-investment; primary	Developer of a c and planning pl
13	Lifepoint Health	USA	Healthcare	Co-investment;Manager-led secondary	Healthcare prov
14	Asurion	USA	Financials	Primary; Fund secondary, Manager-led secondary	Mobile phone ir
15	Nord Anglia Education	Hong Kong	Consumer	Primary; Co-investment	Operator of edu
16	Eversana	USA	Healthcare	Manager-led secondary	Commercial se life sciences se
17	Millenium Trust Company	USA	Financials	Co-investment; primary	Provider of tech retirement and i
18	Sun Media	Spain	Communication services	Co-investment	Digital advertisi
19	SailPoint	USA	Information technology	Co-investment; primary	Provider of ente governance solu
20	Revolut	UK	Information technology	Primary; Fund secondary	A fintech app w financial service
21	Ascent Resources Plc	USA	Energy	Fund secondary	Natural gas and
22	RLDatix	USA	Healthcare	Manager-led secondary	Developer of clo and risk manag
23	101	USA	Industrials	Co-investment	Provider of food services
24	Tag	Israel	Healthcare	Manager-led secondary	Provider of med equipment and
25	OptConnect	USA	Information technology	Manager-led secondary	Provider of wirel connectivity sol
26	Kilcoy Global Foods	Australia	Consumer	Manager-led secondary	Producer of bee protein products
27	Kaspi.kz	Kazakhstan	Financials	Primary	Banking produc
28	24 Seven	USA	Industrials	Manager-led secondary	Digital marketin services provide
29	IFS	Sweden	Information technology	Co-investment; primary	Developer of en planning softwa
30	Access	UK	Information technology	Co-investment	Provider of busi software solutio
31	imagine 360	USA	Healthcare	Fund secondary	Provider of solu insurance costs
32	Tanium	USA	Information technology	Co-investment	Cybersecurity s
33	Perspecta	USA	Information technology	Co-investment	IT services mar
34	KD Pharma	Germany	Healthcare	Manager-led secondary	Specialist phar
35	Logic Monitor	USA	Information technology	Primary; Co-investment; fund secondary	Managed IT ser
36	Trimech	USA	Information technology	Co-investment	Provider of 3D c manufacturing s
37	Arby's	USA	Consumer	Manager-led secondary	Restaurant fran
38	Flynn	USA	Consumer	Co-investment	Restaurant fran
39	Medica	UK	Healthcare	Co-investment	Provides telerad services to publ organisations
40	Shawbrook	UK	Financials	Co-investment	Provides lendin products
41	Elevation	USA	Healthcare	Co-investment	Provides cosme
42	Zelis	USA	Healthcare	Primary	Offers DOCS, a platform for con
43	Krispy Krunchy Chicken	USA	Consumer	Co-investment; primary	Operator of fast
44	VIZRT	Norway	Information technology	Primary; Manager-led secondary	Developer of co for the digital m
45	Satlink	Spain	Information technology	Co-investment	Satellite comm provider for the
46	London & Capital	UK	Financials	Co-Investment	An independent firm
47	SVT	Germany	Industrials	Fund secondary	Manufacturer of and systems
48	WIZ	USA	Information technology	Primary	Provides a clou
49	Regina Maria	Romania	Healthcare	Fund secondary	Provides private

49	Regina Maria	Romania	Healthcare	Fund secondary	Provides private
50	Sonar	Switzerland	Information technology	Primary; Fund secondary	Developer of co

Coverage of PIP's private equity asset value

[1] The largest 50 companies table is based upon underlying company valuations as at 30 September 2024 adjusted for known calls and distributions to 30 November 2024, and includes the portion of the reference portfolio attributable to the ALN.

OTHER INFORMATION - LARGEST 50 MANAGERS BY VALUE

Top 50 Managers account for 72% of NAV as at the half year end (71% as at 31 May 2024).

Rank	Manager	Region[1]	Stage	% of total private e asset va
1	Insight Partners	USA	Growth	
2	Index Ventures	Global	Venture; Growth	
3	Hg	Europe	Buyout	
4	Providence Equity Partners	USA	Buyout	
5	Parthenon Capital	USA	Buyout	
6	Advent International	Global	Buyout	
7	Water Street	USA	Buyout	
8	IK Partners	Europe	Buyout	
9	Thomabravo	USA	Buyout	
10	Altamont	USA	Buyout	
11	Abry Partners	USA	Buyout	
12	Charlesbank	USA	Buyout	
13	MidEuropa	Europe	Buyout	
14	Seven 2 (Previously Apax Partners SAS)	Europe	Buyout	
15	Search Light	Global	Special situations	
16	Deutsche Private Equity	Europe	Buyout	
17	Veritas Capital	USA	Buyout	
18	3i	Europe	Buyout	
19	Lyfe	Asia	Growth	
20	Hellman & Friedman	Global	Buyout	
21	Eci	Europe	Buyout	
22	EQT	Asia	Growth	
23	Altor	Europe	Buyout	
24	Growth Fund[3]	USA	Growth	
25	Apollo	Global	Buyout	
26	Oak HC/FT	USA	Growth	
27	Linden	USA	Buyout	
28	Apheon (Previously Ergon Capital)	Europe	Buyout	
29	Five Arrows	Europe	Buyout	
30	Balderton	Europe	Growth	
31	Main Post Partners	USA	Buyout	
32	LMP	Europe	Buyout	
33	Stone Goff	USA	Buyout	
34	PAI Partners	Europe	Buyout	
35	Lorient Capital	USA	Buyout	
36	Shamrock Capital	USA	Growth	
37	HIG Capital	USA	Buyout	
38	ONEX	USA	Buyout	
39	The Energy & Minerals Group	USA	Special situations	
40	Sentinel Capital Partners	USA	Buyout	
41	Morgan Stanley Capital Partners	USA	Buyout	
42	NMS	USA	Buyout	
43	Chequers Capital	Europe	Buyout	
44	Francisco Partners	USA	Buyout	
45	Knox Lane	USA	Buyout	
46	Magnum	Europe	Buyout	
47	BC Partners	USA	Buyout	
48	Alpine	USA	Buyout	
49	Roark Capital Group	USA	Buyout	
50	KKR	Europe	Buyout	
Coverage of PIP's private equity asset value				

[1] Refers to the regional exposure of funds.

[2] Percentages look through underlying vehicle structures and exclude the portion of the reference portfolio attributable to the ALN.

[3] The private equity manager does not permit the Company to disclose this information.

.

INTERIM MANGEMENT REPORT AND RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE INTERIM REPORT

Interim management report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal uncertainties for the remaining six months of the financial year are set out in the Chair's Statement and the Manager's Review.

The principal risks facing the Company are substantially unchanged since the date of the Annual Report for the financial period ended 31 May 2024 and continue to be as set out in that report on pages 44 to 48.

Risks faced by the Company include, but are not limited to, funding of investment commitments and default risk, risks relating to investment opportunities, financial risk of private equity, long-term nature of private equity investments, valuation uncertainty, gearing, foreign currency risk, counterparty risk, taxation, the risks associated with the engagement of the Manager or other third-party advisers, cybersecurity and geopolitical risks.

Responsibility statement

Each Director confirms that, to the best of their knowledge:

- The condensed set of financial statements has been prepared in accordance with FRS 104 "Interim Financial Reporting"; and gives a true and fair view of the assets, liabilities, financial position and return of the Company.
- This Interim Financial Report includes a fair review of the information required by:
  (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the last Annual Report that could do so.

This Interim Financial Report was approved by the Board on 27 February 2025 and was signed on its behalf by John Singer CBE, Chair.

INDEPENDENT REVIEW REPORT TO PANTHEON INTERNATIONAL PLC

Conclusion

We have been engaged by Pantheon International Plc ('the Company') to review the condensed set of financial statements in the Interim Report and Accounts for the six months ended 30 November 2024 which comprises the Condensed Income Statement, the Condensed Statement of Changes in Equity, the Condensed Balance Sheet, the Condensed Cash Flow Statement, and the Related Notes 1 to 13 (together the 'condensed financial statements'). We have read the other information contained in the Interim Report and Accounts and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the Interim Report and Accounts for the six months ended 30 November 2024 is not prepared, in all material respects, in accordance with FRS 104 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ('ISRE') issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in Note 1 Basis of Preparation, the annual financial statements of the Company are prepared in accordance with United Kingdom Generally Accepted Accounting Practice. The condensed set of financial statements included in this Interim Report and Accounts has been prepared in accordance with the Financial Reporting Standard FRS 104 'Interim Financial Reporting'

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the Directors

The Directors are responsible for preparing the Interim Report and Accounts in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

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

Auditor's Responsibility for the review of the financial information

In reviewing the Interim Report and Accounts, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the Interim Report and Accounts. Our conclusion, including our Conclusions Relating to Going Concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
London, United Kingdom
27 February 2025

CONDENSED INCOME STATEMENT (UNAUDITED) FOR THE SIX MONTHS TO 30 NOVEMBER 2024

		Six months ended 30 November 2024			Six months ended 30 November 2023		
	Note	**Revenue £'000**	**Capital £'000**	**Total* £'000**	Revenue £'000	Capital £'000	Total* £'000
Gains/(losses) on investments at fair value through profit or loss		**-**	**61,629**	**61,629**	-	(4,848)	(4,848)
(Losses)/gains on financial liabilities at fair value through profit or loss - ALN		**(350)**	**3,124**	**2,774**	(320)	(519)	(839)
Currency (losses)/ gains on cash and borrowings		**-**	**(1,104)**	**(1,104)**	-	4,229	4,229
Investment income		**8,812**	**-**	**8,812**	9,430	-	9,430
Investment management fees		**(13,451)**	**-**	**(13,451)**	(12,573)	-	(12,573)
Other expenses		**(1,346)**	**(349)**	**(1,695)**	(1,236)	(1,406)	(2,642)
Return/(loss) before financing costs		**(6,335)**	**63,300**	**56,965**	(4,699)	(2,544)	(7,243)

Return/(loss) before financing costs and taxation		**(6,335)**	**63,300**	**56,965**	(4,699)	(2,544)	(7,243)
Interest payable and similar expenses		**(10,289)**	**-**	**(10,289)**	(4,860)	-	(4,860)
Return/(loss) before taxation		**(16,624)**	**63,300**	**46,676**	(9,559)	(2,544)	(12,103)
Taxation paid	**2**	**(1,854)**	**-**	**(1,854)**	(1,702)	-	(1,702)
Return/(loss) for the period/year, being total comprehensive income for the period/year	**9**	**(18,478)**	**63,300**	**44,822**	(11,261)	(2,544)	(13,805)
Return per ordinary share	**9**	**(3.98)p**	**13.65p**	**9.67p**	(2.18)p	(0.49)p	(2.67)p

** The Company does not have any income or expenses that are not included in the return for the period, therefore the return for the period is also the total comprehensive income for the period. The supplementary revenue and capital columns are prepared under guidance published in the Statement of Recommended Practice ("SORP") issued by the Association of Investment Companies ("AIC").*

All revenue and capital items in the above statement relate to continuing operations.

The Notes below form part of these financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE SIX MONTHS TO 30 NOVEMBER 2024

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Other capital reserve £'000	Capital reserve on investments held £'000	Revenue reserve £'000	Total £'000
Movement for the six months ended 30 November 2024							
Opening equity shareholders' funds	**31,196**	**269,535**	**8,369**	**1,492,834**	**643,009**	**(161,302)**	**2,283,641**
Return for the period	**-**	**-**	**-**	**58,517**	**4,783**	**(18,478)**	**44,822**
Ordinary shares bought back for cancellation in the market	**(267)**	**-**	**267**	**(12,783)**	**-**	**-**	**(12,783)**
Closing equity shareholders' funds	**30,929**	**269,535**	**8,636**	**1,538,568**	**647,792**	**(179,780)**	**2,315,680**
Movement for the six months ended 30 November 2023							
Opening equity shareholders' funds	35,503	269,535	4,062	1,620,532	653,695	(133,255)	2,450,072
Return for the period	-	-	-	50,554	(53,098)	(11,261)	(13,805)
Ordinary shares bought back for cancellation via Tender Offer	(3,295)	-	3,295	(151,050)	-	-	(151,050)
Ordinary shares bought back for cancellation in the market	(179)	-	179	(7,397)	-	-	(7,397)
Closing equity shareholders' funds	32,029	269,535	7,536	1,512,639	600,597	(144,516)	2,277,820
Movement for the year ended 31 May 2024							
Opening equity shareholders' funds	35,503	269,535	4,062	1,620,532	653,695	(133,255)	2,450,072
Return for the year	-	-	-	70,382	(10,686)	(28,047)	31,649
Ordinary shares bought back for cancellation via Tender Offer	(3,295)	-	3,295	(151,050)	-	-	(151,050)

Ordinary shares bought back for cancellation in the market	(1,012)	-	1,012	(47,030)	-	-	(47,030)
Closing equity shareholders' funds	31,196	269,535	8,369	1,492,834	643,009	(161,302)	2,283,641

The Notes below form part of these financial statements.

CONDENSED BALANCE SHEET (UNAUDITED) AS AT 30 NOVEMBER 2024

	Note	30 November 2024 £'000	30 November 2023 £'000	31 May 2024 £'000
Fixed assets				
Investments at fair value		**2,554,586**	2,404,240	2,498,505
Current assets				
Debtors		**3,597**	1,965	2,487
Cash at bank		**23,355**	28,579	21,863
		26,952	30,544	24,350
Creditors: Amounts falling due within one year				
Bank loan		**-**	(96,389)	(83,261)
Other creditors		**(6,002)**	(6,697)	(7,752)
		(6,002)	(103,086)	(91,013)
Net current assets/(liabilities)		**20,950**	(72,542)	(66,663)
Total assets less current liabilities		**2,575,536**	2,331,698	2,431,842
Creditors: Amounts falling due after one year				
Bank Loan	5	**(115,670)**	(24,200)	-
Asset Linked Loan ("ALN")	6	**(26,155)**	(29,678)	(30,378)
Private placement loan notes	7	**(118,031)**	-	(117,823)
		(259,856)	(53,878)	(148,201)
Net assets		**2,315,680**	2,277,820	2,283,641
Capital and reserves				
Called-up share capital	8	**30,929**	32,029	31,196
Share premium		**269,535**	269,535	269,535
Capital redemption reserve		**8,636**	7,536	8,369
Other capital reserve		**1,538,568**	1,512,639	1,492,834
Capital reserve on investments held		**647,792**	600,597	643,009
Revenue reserve		**(179,780)**	(144,516)	(161,302)
Total equity shareholders' funds		**2,315,680**	2,277,820	2,283,641
Net asset value ("NAV") per share - ordinary	10	**501.64p**	476.49p	490.46p
Total ordinary shares for NAV calculation	8	**461,625,319**	478,041,656	465,613,611

The Notes below form part of these financial statements.

CONDENSED CASH FLOW STATEMENT (UNAUDITED) FOR THE SIX MONTHS TO 30 NOVEMBER 2024

	Note	**Six months ended 30 November 2024 £'000**	Six months ended 30 November 2023 £'000	Year Ended 31 May 2024 £'000
Cash flow from operating activities				
Investment income received - comprising:				
- Dividend income		**8,304**	7,414	12,975
- Interest income		**428**	1,424	2,815
- Other investment income		**79**	30	86
Deposit and other interest received		**-**	560	669
Investment management fees paid		**(13,421)**	(10,687)	(25,639)
Secretarial fees paid		**(247)**	(224)	(464)
Depositary fees paid		**(165)**	(128)	(236)
Directors' fees paid		**(189)**	(158)	(343)
Legal and professional fees paid		**(420)**	(772)	(1,208)
Capitalised project-related legal costs		**-**	-	(2,497)
Other cash payments[1]		**(1,129)**	(1,661)	(1,079)
Withholding tax deducted		**(1,969)**	(1,721)	(2,933)
Net cash outflow from operating activities	**11**	**(8,729)**	(5,923)	(17,854)
Cash flows from investing activities				
Purchases of investments		**(76,873)**	(75,330)	(152,960)
Disposals of investments		**83,546**	84,078	131,544
Net cash inflow/(outflow) from investing activities		**6,673**	8,748	(21,416)

Cash flows from financing activities			
ALN repayments	**(846)**	(2,122)	(4,650)
Ordinary shares bought back for cancellation	**(13,672)**	(7,397)	(46,140)
Ordinary shares bought back for cancellation via Tender Offer	**-**	(151,050)	(151,050)
Drawdown of loan	**136,520**	125,000	200,375
Repayment of loan	**(105,394)**	-	(111,903)
Loan commitment and arrangement fees paid	**(5,167)**	(3,285)	(5,642)
Loan interest paid	**(3,928)**	(1,259)	(4,018)
Private placement loan note funding	**-**	-	118,274
Private placement loan note interest	**(4,324)**	-	-
Net cash inflow/(outflow) from financing activities	**3,189**	(40,113)	(4,754)
Increase/(decrease) in cash in the period/year	**1,133**	(37,288)	(44,024)
Cash and cash equivalents at beginning of the period/year	**21,863**	66,043	66,043
Foreign exchange gains/(losses)	**359**	(176)	(156)
Cash and cash equivalents at the end of the period/year	**23,355**	28,579	21,863

The Notes below form part of these financial statements.

NOTES TO THE HALF-YEARLY FINANCIAL STATEMENTS (UNAUDITED)

1. ACCOUNTING POLICIES

A. Basis of preparation

PIP is a listed public limited company incorporated in England and Wales.

The Company applied United Kingdom Accounting Standards, including FRS 102 'The standard applicable in the United Kingdom and Ireland' ("FRS 102") and the Association of Investment Companies ("AIC") Statement of Recommended Practice ("SORP") for its financial period ended 31 May 2024 in its Financial Statements. The financial statements for the six months to 30 November 2024 have therefore been prepared in accordance with FRS 104 "Interim Financial Reporting". The condensed financial statements have been prepared on the same basis as the accounting policies set out in the statutory accounts for the period ended 31 May 2024. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The Company's financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£'000) except when indicated otherwise.

The financial information contained in this report has been prepared in accordance with the SORP for the financial statements of investment trust companies and venture capital trusts issued by the AIC (issued in April 2021), other than where restrictions are imposed on the Company which prohibit specific disclosures.

The financial information contained in this Interim Report and Accounts and the comparative figures for the financial year ended 31 May 2024 are not the Company's statutory accounts for the financial period as defined in the Companies Act 2006. The financial information for the half-year periods ended 30 November 2024 and 30 November 2023 are not for a financial year and have not been audited but have been reviewed by the Company's auditors and their report can be found above. The Annual Report and Financial Statements for the financial period ended 31 May 2024 have been delivered to the Registrar of Companies. The report of the auditors was: (i) unqualified; (ii) did not include a reference to any matters which the auditors drew attention by way of emphasis without qualifying the report; and (iii) did not contain statements under section 498 (2) and (3) of the Companies Act 2006.

B. Going Concern

The financial statements have been prepared on a going concern basis and under the historical cost basis of accounting, modified to include the revaluation of certain assets at fair value.

The Directors have made an assessment of going concern, taking into account the Company's current performance and financial position as at 30 November 2024. In addition, the Directors have assessed the outlook, which considers the potential further impact of the ongoing international conflicts and election cycles which have brought about increased geopolitical uncertainties including the disruption to the global supply chain and increases in the cost of living as a result, persistent inflation, high interest rates and the impact of climate change on PIP's portfolio using the information available as at the date of issue of these financial statements. As part of this assessment:

- The Directors considered various downside liquidity modelling scenarios with varying degrees of decline in investment valuations, decreased investment distributions, and increased call rates, the worst being a downside case scenario representing an impact to the portfolio that is worse than that experienced during the Global Financial Crisis.

- The Company manages and monitors liquidity regularly ensuring it is adequate and sufficient and is underpinned by its monitoring of investments, distributions, capital calls and outstanding commitments. Total available financing as at 30 November 2024 stood at £314m (30 November 2023: £389m; 31 May 2024: £414m), comprising £21m (30 November 2023: £24m; 31 May 2024: £16m) in available cash balances and £293m (30 November 2023: £365m; 31 May 2024: £398m) in undrawn, sterling equivalent, bank facilities.

- PIP's 30 November 2024 valuation is primarily based on reported general partner ("GP") valuations with a reference date of 30 September 2024, updated for capital movements and foreign exchange impacts.

- The Directors considered the level of unfunded commitments, PIP's unfunded commitments at 30 November 2024 were £759m (30 November 2023: £761m; 31 May 2024: £789m). The Directors have considered the maximum level of unfunded commitments which could theoretically be drawn in a 12-month period, the ageing of commitments and available financing to fulfil these commitments. In these scenarios PIP can take steps to limit or mitigate the impact on the balance sheet, namely drawing on the credit facility, pausing on new commitments, selling assets to increase liquidity and reducing outstanding commitments if necessary. In addition, subject to market conditions, the Company could also seek to raise additional debt or equity capital.

- The Directors considered the impact of share buybacks and the Company's Capital Allocation Policy on available liquidity.

- The Directors also considered the impact of climate change on PIP's portfolio and concluded that there was no significant impact on the Company as a result of climate change.

Having performed the assessment on going concern, the Directors considered it appropriate to prepare the financial statements of the Company on a going concern basis. The Company has sufficient financial resources and liquidity, is well placed to manage business risks in the current economic environment and can continue operations for a period of at least 12 months from the date of issue of these financial statements.

C. Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business. Consequently, no business segmental analysis is provided.

2.Tax on ordinary activities

The tax charge for the six months to 30 November 2024 is £1.9m (six months to 30 November 2023: £1.7m; year to 31 May 2024: £3.0m). The tax charge wholly comprises irrecoverable withholding tax suffered.

Investment gains are exempt from capital gains tax owing to the Company's status as an investment trust.

3. Transactions with the Manager and related parties

During the six-month period ended 30 November 2024, services with a total value of £13,880,000, being £13,451,000 directly from Pantheon Ventures (UK) LLP and £429,000 (30 November 2023: £14,419,000; £12,573,000; and £1,846,000; year to 31 May 2024: £28,501,000; £25,674,000 and £2,827,000 respectively) via Pantheon managed fund investments were purchased by the Company.

At 30 November 2024, the amount due to Pantheon Ventures (UK) LLP in management fees and performance fees disclosed under creditors was £2,310,000 and £nil respectively (30 November 2023: £4,130,000 and £nil respectively; 31 May 2024: £2,280,000 and £nil respectively).

Fees paid to the Company's Board of Directors for the six months to 30 November 2024 totalled £184,000 (six months to 30 November 2023: £175,000; year to 31 May 2024: £360,000). At 30 November 2024, the amount payable in Directors' fees disclosed under creditors was £57,000 (30 November 2023: £62,000; 31 May 2024: £62,000).

There are no other identifiable related parties at the period end.

4. Performance fee

The Manager is entitled to a performance fee from the Company in respect of each 12-month month period ending on 31 May in each year and, prior to 31 May 2017, the period of 12 calendar months ending 30 June in each year. The performance fee payable in respect of each such calculation period is 5% of the amount by which the net asset value ("NAV") at the end of such period exceeds 110% of the applicable "high-water mark", i.e. the NAV at the end of the previous calculation period in respect of which a performance fee was payable, compounded annually at 10% for each subsequent completed calculation period up to the start of the calculation period for which the fee is being calculated. For the six-month calculation period ended 30 November 2024, the notional performance fee hurdle is a NAV per share of 627.30p. The performance fee is calculated using the adjusted NAV.

The performance fee is calculated so as to ignore the effect on performance of any performance fee payable in respect of the period for which the fee is being calculated or of any of the following:

- Increase or decrease in the net assets of the Company resulting from any issue, redemption or purchase of any shares or other securities
- The sale of any treasury shares or the issue or cancellation of any subscription or conversion rights for any shares or other securities
- Any other reduction in the Company's share capital or any distribution to shareholders

No performance fee has been paid or accrued during the period.

5. Bank Loan

On 19 October 2023, the Company announced that it has agreed a new £500m equivalent multi-tranche, multi-currency revolving credit facility agreement (the "Loan Facility"), which on 20 October 2023, replaced the existing £500m equivalent credit facility. The facility structure was:

- Facility A: £400m expiring in October 2026; and
- Facility B: £100m expiring in October 2024.

On 28 October 2024, the Company announced that it had agreed to extend the Loan Facility which was due to expire in October 2026, by a further two years. Following the extension, the Loan Facility has a four-year tenor and a new maturity date of October 2028. The Loan Facility is now a £400m equivalent commitment, with the flexibility to be increased to £700m under the existing structure. Facility B expired in October 2024.

The facility structure is as follows:

- Facility A1: £300m, expiring in October 2028; and
- Facility A2: £100m, expiring in October 2028.

Both A1 and A2 have an ongoing option to extend, by agreement, the maturity date by 364 days at a time. Depending on the utilisation of the Loan Facility, PIP will pay a commitment fee of between 0.70% and 1.15% per annum on the undrawn portion of the Loan Facility. The rate of interest payable on the drawn portion is the aggregate of the relevant benchmark rate plus 2.95%. The Loan Facility is subject to market standard loan-to-value and liquidity covenants.

The Loan Facility had a sterling equivalent value of £409.0m as at 30 November 2024, at which point the Company had drawn down £115.7m split £85.8m through Facility A1 and £29.9m through Facility A2.

Company had drawn down £[illegible]m split £[illegible]m through Facility A1 and £[illegible]m through Facility A2.

6. Asset Linked Note ("ALN")

As part of the share consolidation effected on 31 October 2017, the Company issued an ALN with an initial principal amount of £200m to the Investor. Payments under the ALN are made quarterly in arrears and are linked to the ALN share (c. 75%) of the net cash flow from a reference portfolio which comprises interests held by PIP in over 300 of its oldest private equity funds, substantially 2006 and earlier vintages. PIP retains the net cash flow relating to the remaining c. 25% of the reference portfolio.

The ALN is held at fair value through profit or loss and therefore movements in fair value are reflected in the Income Statement. The Directors do not believe there to be a material own credit risk, due to the fact that repayments are only due when net cash flow is received from the reference portfolio. Fair value is calculated as the sum of the ALN share of fair value of the reference portfolio plus the ALN share of undistributed net cash flow which is equivalent to the amount which would be required to be repaid had the ALN matured on 30 November 2024. Therefore no fair value movement has occurred during the period as a result of changes to credit risk.

A pro rata share of the Company's Total Ongoing Charges is allocated to the ALN, reducing each quarterly payment ("the expense charge") and deducted from Other expenses in the Income Statement.

The ALN's share of net cash flow is calculated after withholding taxation suffered. These amounts are deducted from Taxation in the Income Statement.

During the six months to 30 November 2024, the Company made repayments totalling £0.8m, representing the ALN share of the net cash flow for the three-month period to 31 May 2024 and three-month period to 31 August 2024. The fair value of the ALN at 30 November 2024 was £26.9m, of which £0.8m represents the net cash flow for the three months to 30 November 2024, due for repayment on 28 February 2025.

During the six months to 30 November 2023, the Company made repayments totalling £2.1m, representing the ALN share of the net cash flow for the three-month period to 31 May 2023 and three-month period to 31 August 2023. The fair value of the ALN at 30 November 2023 was £31.0m, of which £1.3m represents the net cash flow for the three months to 30 November 2023, due for repayment on 29 February 2024.

During the year to 31 May 2024, the Company made repayments totalling £4.7m, representing the ALN share of the net cash flow for the year to 28 February 2024. The fair value of the ALN at 31 May 2024 was £30.8m, of which £0.4m represents cash flows for the three months to 31 May 2024, due for repayment on 31 August 2024.

7. Private Placement Loan Notes

The Company has Private Placement debt, in the form of loan notes totalling USD 150m, which were placed on 1 February 2024, with interest payable to the loan note holders on a six-monthly basis. The loan notes have been structured over different maturities of five, seven and ten years with varying coupon rates, revalued as follows:

		30 November 2024	**30 November 2023**	**31 May 2024**
	USD '000	**£'000**	**£'000**	**£'000**
Tranche A (USD) 6.36%. 1 February 2029	52,500	41,311	-	41,238
Tranche B (USD) 6.53%. 1 February 2031	67,500	53,114	-	53,020
Tranche C (USD) 6.65%. 1 February 2034	30,000	23,606	-	23,565
	150,000	118,031	-	117,823

8. Called-up share capital

	30 November 2024		**30 November 2023**		**31 May 2024**	
Allocated, called up and fully paid:	**Shares**	**£'000**	**Shares**	**£'000**	**Shares**	**£'000**
Ordinary shares of 67p each						
Opening position	**465,613,611**	**31,196**	529,893,457	35,503	529,893,457	35,503

Opening position	**465,613,611**	**31,196**	529,893,457	35,503	529,893,457	35,503
Ordinary shares bought back for cancellation in the market	**(3,988,292)**	**(267)**	(2,671,474)	(179)	(15,099,519)	(1,012)
Ordinary shares bought back for cancellation via Tender Offer	**-**	**-**	(49,180,327)	(3,295)	(49,180,327)	(3,295)
Closing position in issue	**461,625,319**	**30,929**	478,041,656	32,029	465,613,611	31,196
Total shares in issue	**461,625,319**	**30,929**	478,041,656	32,029	465,613,611	31,196

On 3 August 2023, upon publication of its annual results for the year ended 31 May 2023, the Company announced its intention to invest up to £200,000,000 in the Company's portfolio by buying back its own ordinary shares during the financial year to 31 May 2024. On 25 September 2023, the Company announced it would undertake a "Tender Offer", conducted as a reverse auction, for up to £150,000,000 in value (at the strike price) of ordinary shares with settlement taking place on 26 October 2023. Shareholders on the register on the record date of 17 October 2023 were invited to tender for sale some or all (subject to the overall size limit of the tender offer) of their ordinary shares.

On 19 October 2023, the result of the Tender Offer was announced, being that the Company had acquired 49,180,327 of the Company's ordinary shares. All shares repurchased by the Company have been cancelled. Each Share acquired by the Company in the Tender Offer was purchased at the Strike Price of 305 pence per ordinary share.

During the period to 30 November 2024, 3,988,292 ordinary shares were bought back by the Company for cancellation at a total cost, including stamp duty, of £12.8m.

During the period to 30 November 2023 and in addition to the Tender Offer, 2,671,474 ordinary shares were bought back by the Company for cancellation at a total cost, including stamp duty, of £7.4m. In total, during the period to 30 November 2023, the Company acquired, for cancellation, 51,851,801 shares.

During the period to 31 May 2024 and in addition to the Tender Offer, 15,099,519 ordinary shares were bought back by the Company for cancellation at a total cost, including stamp duty, of £47.0m.

As at 30 November 2024, there were 461,625,319 ordinary shares in issue (30 November 2023: 478,041,656 ordinary shares; year to 31 May 2024: 465,613,611 Ordinary Shares).

9. Return per share

	Six months to 30 November 2024			**Six months to 30 November 2023**			**Year to 31 May 2024**		
	Revenue	**Capital**	**Total**	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
Return for the financial period £'000	**(18,478)**	**63,300**	**44,822**	(11,261)	(2,544)	(13,805)	(28,047)	59,696	31,649
Weighted average number of ordinary shares			**463,573,364**			516,456,314			494,296,359
Return per share	**(3.98)p**	**13.65p**	**9.67p**	(2.18)p	(0.49)p	(2.67)p	(5.68)p	12.08p	6.40p

There are no dilutive shares in issue in any period.

10. Net asset value (NAV) per share

	30 November 2024	**30 November 2023**	**31 May 2024**
Net assets attributable in £'000	**2,315,680**	2,277,820	2,283,641
Ordinary shares in issue	**461,625,319**	478,041,656	465,613,611
NAV per share	**501.64p**	476.49p	490.46p

11. Reconciliation of return before financing costs and taxation to net cash flow from operating activities

	Six months to 30 November 2024 £'000	Six months to 30 November 2023 £'000	Period to 31 May 2024 £'000
Return/(loss) before finance costs and taxation	**56,965**	(7,243)	47,733
Withholding tax deducted	**(1,854)**	(1,702)	(3,033)
Gains/(losses) on investments	**(61,629)**	4,848	(60,324)
Currency losses/(gains) on cash and borrowings	**1,104**	(4,229)	(5,491)
(Decrease)/increase in creditors	**(203)**	1,851	205
(Increase)/decrease in other debtors	**(71)**	(33)	111
(Reductions)/gains on financial liabilities at fair value through profit or loss - ALN	**(2,774)**	839	3,420
Expenses and taxation associated with ALN	**(267)**	(254)	(475)
Net cash outflow from operating activities	**(8,729)**	(5,923)	(17,854)

Reconciliation of net cash/(debt)	Six months to 30 November 2024 £'000	Six months to 30 November 2023 £'000	Year to 31 May 2024 £'000
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash	**1,133**	(37,288)	(44,024)
Net cash inflow from loans	**(31,126)**	(125,000)	(88,471)
Cash inflow from private placement loan notes	**-**	-	(118,274)
Change in net debt resulting from cash flows	**(29,993)**	(162,288)	(250,769)
Foreign exchange movements	**(1,132)**	4,229	5,505
Movement in net debt	**(31,125)**	(158,059)	(245,264)
Net (debt)/cash at start of period/year	**(179,221)**	66,043	66,043
Net (debt)/cash at end of period/year	**(210,346)**	(92,016)	(179,221)

Analysis in changes in net debt	1 June 2024 £'000	Cashflows £'000	Foreign exchange movements £'000	30 November 2024 £'000
Cash and cash equivalents	**21,863**	1,133	359	**23,355**
Debt due within one year				
- Bank loan	**(83,261)**	81,034	2,227	**-**
Debt due after more than one year				
- Bank loan	**-**	(112,160)	(3,510)	**(115,670)**
- Private placement loan notes	**(117,823)**	-	(208)	**(118,031)**
	(201,084)	(31,126)	(1,491)	**(233,701)**
Net debt	**(179,221)**	(29,993)	(1,132)	**(210,346)**

12. Fair Value Hierarchy

(i) Unquoted fixed asset investments are stated at the estimated fair value

Unquoted investments are valued in accordance with the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines. In the case of investments in private equity funds, this is based on the NAV of those funds ascertained from periodic valuations provided by the managers of the funds and recorded up to the measurement date. Such valuations are necessarily dependent upon the reasonableness of the valuations by the fund managers of the underlying investments. In the absence of contrary information the values are assumed to be reliable. These valuations are reviewed periodically for reasonableness and recorded up to the measurement date. If a class of assets were sold post period end, management would consider the effect, if any, on the investment portfolio.

The Company may acquire secondary interests at either a premium or a discount to the fund manager's valuation. Within the Company's portfolio, those fund holdings are normally revalued to their stated NAV at the next reporting date unless an adjustment against a specific investment is considered appropriate.

The fair value of each investment is derived at each reporting date. In the case of direct investments in unquoted companies, the initial valuation is based on the transaction price. Where better indications of fair value become available, such as through subsequent issues of capital or dealings between third parties, the valuation is adjusted to reflect the new evidence, at each reporting date. This information may include the valuations adjusted to reflect the new evidence, at each reporting date. This information may include the valuations provided by private equity managers who are also invested in the Company.

(ii) Quoted investments are valued at the bid price on the relevant stock exchange

Private equity funds may contain a proportion of quoted shares from time to time, for example where the underlying company investments have been taken public but the holdings have not yet been sold. The quoted market holdings at the date of the latest fund accounts are reviewed and compared with the value of those holdings at the period end.

All investments are initially recognised and subsequently measured at fair value. Changes in fair value are recognised in the Income Statement.

(iii) Fair value hierarchy

The fair value hierarchy consists of the following three levels:

- Level 1 - The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly (i.e. as prices) or indirectly (i.e., derived from prices)
- Level 3 - Inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability

In accordance with FRS 104, the Company must disclose the fair value hierarchy of financial instruments.

Financial assets at fair value through profit or loss at 30 November 2024

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Unlisted holdings	-	-	2,551,834	**2,551,834**
Listed holdings	2,752	-	-	**2,752**
Total	2,752	-	2,551,834	**2,554,586**

Financial liabilities at fair value through profit or loss at 30 November 2024

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Asset Linked Note	-	-	26,929	**26,929**
Total	-	-	26,929	**26,929**

Financial assets at fair value through profit or loss at 30 November 2023

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Unlisted holdings	-	-	2,400,933	**2,400,933**
Listed holdings	3,307	-	-	**3,307**
Total	3,307	-	2,400,933	**2,404,240**

Financial liabilities at fair value through profit or loss at 30 November 2023

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Asset Linked Note	-	-	30,984	**30,984**
Total	-	-	30,984	**30,984**

Financial assets at fair value through profit or loss at 31 May 2024

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Unlisted holdings	-	-	2,495,920	**2,495,920**
Listed holdings	2,585	-	-	**2,585**
Total	2,585	-	2,495,920	**2,498,505**

Financial liabilities at fair value through profit or loss at 31 May 2024

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Asset Linked Note	-	-	30,815	**30,815**
Total	-	-	30,815	**30,815**

13. Post balance sheet event

There are no Post Balance sheet events to report.

NATIONAL STORAGE MECHANISM

A copy of the Half-Yearly Financial Report will be submitted shortly to the National Storage Mechanism ("NSM") and will be available for inspection at the NSM, which is situated at https://data.fca.org.uk/#/nsm/nationalstoragemechanism.

Ends

LEI: 2138001B3CE5S5PEE928

END

IR SELFUWEISESE