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PANTHEON INTERNATIONAL PLC (the "Company" or "PIP")
INTERIM REPORT FOR THE SIX MONTHS ENDED 30 NOVEMBER 2022

The full Interim 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)1392 477500.

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 Interim Report and Accounts for the six months ended 30 November 2022.

ANNUALISED PERFORMANCE AS AT 30 NOVEMBER 2022

	1 yr	**3 yrs**	**5 yrs**	**10 yrs**	**Since inception (1987)**
NAV per share (stated net of fees)	11.5%	18.8%	15.9%	14.4%	12.3%
Ordinary share price	-15.5%	5.2%	7.7%	12.1%	10.9%
FTSE All-Share, Total Return	6.5%	3.9%	4.2%	6.8%	7.5%
MSCI World, Total Return (Sterling)	-0.5%	11.1%	10.7%	13.4%	8.4%

NAV per share relative performance

Versus FTSE All-Share, Total Return	+5.0%	+14.9%	+11.7%	+7.6%	+4.8%
Versus MSCI World, Total Return (Sterling)	+12.0%	+7.7%	+5.2%	+1.0%	+3.9%

Share price relative performance

Versus FTSE All-Share, Total Return	-22.0%	+1.3%	+3.5%	+5.3%	+3.4%
Versus MSCI World, Total Return (Sterling)	-15.0%	-5.9%	-3.0%	-1.3%	+2.5%

HIGHLIGHTS - SIX MONTHS ENDED 30 NOVEMBER 2022

Performance update

- NAV per share **grew by 4.0%** to 469.5p.
- Net assets at 30 November 2022 **increased to £2,494m** (31 May 2022: £2,427m).
- PIP's share price decreased **by 8.5%** and disappointingly, in line with the wider listed private equity sector, the share price discount to NAV has widened and was **42%** at the end of the period**.**
- Total Shareholder Return (5Y) was **+44.7%.**

Portfolio update

- Pre-FX portfolio valuation remained flat at **0.9%** against a backdrop of ongoing market volatility**.**
- Weighted average uplift from fully realised exits was **33%** and the average cost multiple on exit realisations was **3.1 times**, demonstrating the embedded value in PIP's portfolio.
- Slowdown in distributions in current macroeconomic environment with **£112m** received during the half year, equivalent to a distribution rate of 10% of the opening attributable portfolio, resulting from realisations primarily to strategic buyers and to other private equity managers. After funding **£78m** of calls, this resulted in **net cash inflow** from the portfolio of **£34m**.
- PIP actively manages the profile of its portfolio with the objective of receiving cash from the more mature assets as they are realised, while at the same time refreshing the portfolio with younger assets. The average age of PIP's assets at the half year end was **4.8 years** (31 May 2022: 4.9 years and June 2012: 7.2 years).
- As a result of PIP increasing its allocations to co-investments and single-asset secondaries, **approximately 54%** of PIP's portfolio was invested **directly in companies** at the end of the period.
- During the period, **£303m** was committed to **21 new investments**, of which £183m was funded at the time of purchase. During the half year, the Company invested **£16.6m in buying back** 6,350,183 shares.
- Since the period end, PIP has committed **a further £113m** to two new commitments of which £93.5m (equivalent to US$ 112.5m) was to the Pantheon Secondary Opportunity Fund II, which is focused on single-asset secondaries. PIP's commitment, which is expected to be deployed over a three-year investment period, will allow the Company to capitalise on attractive opportunities in this fast-growing segment of the secondaries market.

Financial position update

- PIP had access to net available cash of **£52m** as at 30 November 2022 in addition to its undrawn multi-currency revolving **£500m** credit facility that is due to expire in July 2027.
- PIP's undrawn commitments were £848m at the period end, of which £60m relates to funds that are more than 13 years old and therefore outside their investment periods.
- PIP's undrawn coverage ratio, which is a key indicator of the Company's ability to meet its outstanding commitments even in the event of a market downturn, was **102%** as at 30 November 2022**.**

Company update

- Sir Laurie Magnus CBE retired from the Board upon the conclusion of the Company's 2022 Annual General Meeting and John Singer CBE took over the role of Chair.

Commenting on the half year results, **John Singer CBE, Chair of PIP,** said: "PIP's portfolio has held up well during the period and we continue to see resilient underlying earnings performance, and strong uplifts being achieved when our portfolio companies are sold. Disappointingly this has not been reflected in PIP's share price and we believe that the concerns, which are being reflected in PIP's share price, are excessive. Whatever the future holds, we believe that PIP, which in its more than 35 years has lived through more economic cycles and world events than almost any other private equity investment trust, is in good hands."

Commenting on PIP, **Helen Steers, Partner at Pantheon and lead manager of PIP**, said: "We believe that PIP's carefully diversified investment approach and robust financial position will serve it well through uncertainty. We will remain cautious and highly selective, but we believe that PIP will continue to benefit from the access that it has to exciting private company investments through Pantheon's vast, global platform."

A video of the team at Pantheon discussing PIP's half year results and a series of case studies showcasing some of our portfolio companies are available on our website at www.piplc.com.

LEI: 2138001B3CE5S5PEE928

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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.

CHAIRMAN'S STATEMENT

A resilient private equity company in uncertain times.

Key Statistics

4.0%	NAV per share growth in the half year
+12.3%	Average annual NAV growth since inception
£2.5bn	NAV as at 30 November 2022
-8.5%	Share price change in the half year
+10.9%	Average annual share price growth since inception
44.7%	Total shareholder return (5Y)
0.9%	Portfolio investment return in the half year
£34m	Portfolio net cash flow in the half year
10%	Annualised distribution rate for the half year

After five years on the Board of PIP I took over as Chair of PIP in October 2022.

One of my first priorities was to get into a dialogue with our shareholders to obtain their feedback. I have greatly enjoyed meeting some of you and I look forward to meeting more of you over the coming months. During those conversations, it has been pleasing to hear how well-respected PIP is and the recognition of its consistent outperformance over the MSCI World and FTSE All-Share indices. As at 30 November 2022, PIP's half year end, PIP had beaten those benchmarks over one, three, five, 10 years and indeed since the Company's inception more than 35 years ago. This track record of performance, which is stated net of fees, has been achieved through multiple economic cycles and is one of which I am proud.

Disappointingly, this accomplishment has not been reflected in the share price in this reporting period. While the NAV per share held up well in the current macroeconomic environment and increased by 4.0% during the half year to 30 November 2022, the share price decreased by 8.5%. Although to a certain extent this reflects the turmoil in the financial markets, the Board shares your frustration at the persistent discount on PIP's shares which has widened in recent months and stood at 46% at the time of writing. Of course, we are aware that PIP and its listed peers have been affected by the general scepticism among many commentators towards private equity and it would seem that the clear distinctions between the public and private markets are still not fully understood. The Board strongly believes in the merits of private equity, and the benefits that it can bring as a component of portfolios for a wide range of investors, and it is our view that PIP offers an ideal way in which investors can gain exposure to it.

The Board recognises that the Company has challenges to overcome to ensure that the strong portfolio performance is properly reflected in the share rating.

We are starting to see the rewards of our investment decisions in recent years

I thought it would be helpful to pull out certain elements of PIP's investment strategy in order to report on progress of them. Overall, the direction of the strategy has been developed firstly, to deal with the changing needs of all stakeholders, and secondly, to provide crucial differentiators for an investment trust such as PIP in order to deal with some of the specific requirements for success in the private equity sector. The former element is being updated in the detailed analysis being carried out now. The latter need has shaped the way we have addressed areas such as getting closer to portfolio companies in terms of choosing investments and adding value to them; the balance of investee companies' stage of development and sectors as well as geography, and, finally, managing our cash and balance sheet. All with the objective of evolving PIP's portfolio into one offering a favourable mix of investments capable of maximising capital growth over the long term. Reporting on development within some of these areas:

Increased direct company investment

We have been actively increasing the proportion of these, which now account for 54% of the portfolio. Increasing co-investments and single-asset secondaries, which typically comprise prized businesses in private equity funds portfolios which the managers know well and believe have excellent potential to grow in value beyond the life of their fund, allows us active choice of companies in our portfolio using the Pantheon investment team's long-developed skills to pick individual assets. This means that these investments have each gone through a "double filter" as both the private equity manager and the company itself must meet Pantheon's stringent due diligence standards. This also allows us more easily to be involved in the adding value process - and indeed to have a better view on the NAVof a company and the portfolio at any time in the holding cycle.

By mainly investing directly into the opportunities sourced for PIP by Pantheon, we have full control over portfolio construction and are able to capitalise flexibly on the most compelling opportunities in the market, while declining those that might not be additive to PIP achieving its overall investment objectives.

Selective exposure to funds

While it is likely that PIP's direct company exposure will continue to increase over time, exposure to funds, predominantly on a primary basis, will be maintained. PIP's primary roadmap consists of those private equity managers whose funds tend to be invitation-only, are specialised by sector or stage, and are not generally traded on the secondary market. We believe that striking a balance between a more concentrated portfolio, which is achieved through the direct holdings, while maintaining a diversified approach through such funds, which is so important for mitigating risk, gives shareholders the best of both worlds.

The balance of the PIP portfolio

PIP's portfolio has been designed to provide investors with consistent returns in different macroeconomic periods, and continues to be weighted towards the buyout stage of the private equity market, while having only a small exposure to the more volatile venture capital sector. Within buyouts, PIP's emphasis is on the small/mid-market segment, which is particularly attractive given the multiple value creation levers that our managers can pull in companies at this stage of development and the options available for exiting those businesses. Being positioned proactively in these areas, most of PIP's exits are to trade buyers and other private equity managers, meaning that our portfolio is not adversely impacted by the current slowdown in the IPO market. While, perhaps unsurprisingly, the growth and venture segments of the portfolio underperformed during the period, the buyout and special situations segments, which together represented 76% of the portfolio, generated positive pre-foreign exchange returns.

It should be pointed out that we are not hearing of signs of distress in the portfolio which is in part due to the hands-on approach of our managers but is also the result of the sector mix. Our managers recognised early on the potential arising from long-term themes such as automation and digitalisation, ageing demographics and increased demand for healthcare products and services in developed and developing economies, as well as the need to move towards a more sustainable and energy-efficient economy. As a result, they have been investing in resilient sectors, in particular information technology and healthcare, which account for the majority of PIP's portfolio. The companies that PIP and its managers are investing in tend to be specialised, fast-growing and focused on robust and defensive sectors, as highlighted by the case studies in this report and on the Company's website.

Managing the balance sheet

Over the several decades that I have been involved in private equity, I have watched and participated in an ever-growing focus by the industry to deal with portfolio companies' profit-and-loss issues through economic cycles by investing in both portfolio company and private equity managers' operational teams, operating partners, portfolio support groups and specialist involvement.

But lessons have also been learnt with regard to prudent management of the balance sheet, and putting sensible capital structures in place - something we monitor closely and apply to ourselves at PIP as well. Many private equity houses now have specialists on staff who can ensure that the appropriate capital structures are in place. Indeed, the debt in PIP's underlying portfolio, particularly in PIP's core buyout segments, continues to be at reasonable levels relative to the overall large buyout market. This active management of the companies in PIP's portfolio, becomes particularly important in times of crisis. Private equity managers are not under pressure to produce short-term returns and can wait to sell their businesses at the right time at attractive prices. This is reflected in the fact that while distributions have slowed in the current environment, PIP's portfolio is still generating cash, with £111.5m of distributions received during the period, which was equivalent to an annualised rate of 10% of the opening portfolio value. Nevertheless, we continue to see our managers exiting their companies at significant uplifts to the previous carrying value and the weighted average uplift during the six months to 30 November 2022 was 33%. Since we started tracking this metric in 2012, the weighted average uplift has been 31% on average, demonstrating the conservative nature of our PE managers when valuing their companies. The data on uplifts that I have described lead us to conclude that the concerns, which are being reflected in PIP's share price are excessive.

Turning to PIP's own balance sheet, our confidence in PIP's portfolio is also underpinned by the strength of PIP's financial position. As a matter of course, the Board and Pantheon have been stress-testing and managing the balance sheet in anticipation of a downturn. We are confident that PIP is on plan to withstand uncertainty while at the same time it has the firepower to continue its investment activities. As at 30 November 2022, PIP had £52m cash on the balance sheet and access to a fully undrawn £500m multi-currency facility. Calls during the period were £78m which, when deducted from the distributions, resulted in net cash flow of £34m. One of the ways in which we evaluate the health of PIP's balance sheet is to calculate the financing cover, which measures the ratio of the combined cash, credit facility and the value of the portfolio to the undrawn commitments. The undrawn commitments totalled £848m as at 30 November 2022 however of this amount, £60m relates to funds that are out of their investment period. Excluding those commitments, given the unlikelihood of them being drawn down, the financing cover as at 30 November 2022 was comfortable at 3.9 times. We also look at the undrawn coverage ratio which considers the available financing plus 10% of the portfolio, as this is the minimum level of distributions that we would expect to see from the portfolio, and reassuringly this was 102% at the period end.

As a final note of reassurance on the balance sheet, the ALN, which is only paid out of distributions received from a reference portfolio of older assets, had a remaining balance of just £34m at the period end. The ALN is due to mature in August 2027.

Market dislocation offers compelling investment opportunities

Turning now to the way forward for PIP, times of economic stress present many challenges for investment managers but they can also create compelling opportunities, particularly for private equity managers who have the scale and capital to take advantage of dislocation and disruption. PIP made 21 new investments during the six months to 30 November 2022, amounting to £303.2m in new commitments across the three investment types. Since the period end, PIP has committed a further £113.0m to new commitments including $112.5m (£93.5m) committed to the Pantheon Secondary Opportunity Fund II (PSOF II), which is focused on manager-led single-asset secondaries. Single-asset secondaries are a fast-growing part of the secondaries market and, as explained above, a very important element of our investment strategy. It is one which in particular should offer some exciting opportunities in the current slow exit environment as private equity managers turn to the secondaries market in order to hold on to their most prized assets. While it is common to talk in general terms about the relationship between economic cycles and investment opportunity, this is clearly a moment when having the skills and experience to make assessments on individual specific businesses, potential value creation and pricing are critical. Pantheon remains highly selective and thorough in its due diligence process when making investments on behalf of PIP- investments which are reviewed by the Board at our meetings. And so while you will see a period of prudence and greater selectivity, we will be taking advantage of Pantheon's experience, high-quality managers and global reach to access deals and deploy capital efficiently.

With the current levels of discount to NAVbeing experienced by our sector, share buybacks can offer an attractive way in which to create shareholder value while also demonstrating the confidence that the Board has in the quality of PIP's portfolio and its reported NAV. PIP invested £16.6m in share buybacks during the period, acquiring 6,350,183 shares.

Another element of compelling investment opportunities which has been growing enormously in importance, and will continue to do so, are ESG considerations. These have given rise to a multiplicity of definitions and agencies setting out criteria for measuring them. For some time, Pantheon has fully integrated these into its due diligence process for selecting deals for investment and conducting post-investment monitoring. The Board is encouraged by the initiatives that Pantheon has underway to enhance these efforts even further. The best private equity managers recognise that adopting ESG practices and providing solutions to the ESG challenges faced by many businesses and communities can also be a source of opportunity and there are a number of examples of this in PIP's portfolio.

Putting the right team in place

I became Chair of PIP following the conclusion of the Annual General Meeting in October 2022, having joined the Board in 2016. I took over from Sir Laurie Magnus CBE who stepped down following 11 years on the Board and six years as Chair. I would like to take this opportunity on behalf of the Board to thank him for all that he has done to lead PIP to the strong position it is in today. Sir Laurie did an excellent job of building a talented and engaged Board and I intend to continue in this regard. The Board has commenced the search for two new Non-Executive Directors and will focus on ensuring that they have the skills that are complementary to those of the other members of the Board and fully in line not only with our investment strategy, but the other surrounding elements of our overall strategy that we are analysing and discussing at this time. We also understand that achieving diversity on the Board across factors such as gender, ethnicity, professional experience, not to mention ways of thinking, are what can really bring our plans for PIP to life.

The PIP Board takes its responsibilities towards shareholders seriously and challenges and holds Pantheon to account. But one of our great competitive strengths is our relationship with our Manager, built on the foundation of trust, shared values and integrity as well as encouraging the open and transparent exchange of views. I believe that this is the magic formula to harnessing a successful, collaborative relationship as we work together to achieve our shared goals and ambitions for PIP and it is these values and trust in which we wish our shareholders to take confidence in during these difficult and volatile times.

Outlook

We are living through an extraordinary set of circumstances caused by rising interest rates, high inflation, geopolitical tensions and a challenging outlook for global growth. It is difficult to predict how and when a more positive outlook will be on the horizon.

However, whatever the future holds, we believe that PIP, which in its more than 35 years has lived through more economic cycles and world events than almost any other private equity investment trust, is in good hands. Pantheon has managed PIP throughout its history and flexibly adjusted its investment approach to respond to and take advantage of the prevailing market conditions. In addition, PIP has an experienced and knowledgeable Board to steer it through choppy waters.

Uncertainty and dislocation create opportunities for private equity managers and we believe that now is the time to "lean in" and invest with the very best who are capable of outperforming public markets and even more so in a downturn. PIP, through Pantheon's vast platform and deep relationships built up over many years, has access to many of those managers and the financial strength to invest well. The confidence of the PIP Board and Pantheon in PIP's prospects is reflected by PIP's Directors collectively owning a total of 3.2m shares in the Company valued at the time of writing at £8.3m while 18 Partners of Pantheon collectively held a further c.2.3m shares as at 6 February 2023.

The Board appreciates the continued support of PIP's shareholders and we remain focused on aiming to deliver consistently strong financial results over the long term.

PIP's Strategic Report, set out in full interim report, has been approved by the Board and should be read in its entirety by shareholders.

JOHN SINGER CBE
Chair
22 February 2023

Key Performance Indicators

	What this is	How PIP has performed		Link to our strategic objectives	Examples of related factors that we monitor
Performance					
Five-year cumulative total shareholder return 44.7%	Total shareholder return demonstrates the return to investors, after taking into account share price movements (capital growth) and, if applicable, any dividends paid during the period. The Board's strategy is to deliver returns for shareholders through the growth in NAV and generally not through the payment of dividends.	30 Nov 2020 79.0% 30 Nov 2021 89.1% 30 Nov 2022 44.7%	• The five-year cumulative total shareholder return was 45% at the half year end. • PIP's ordinary shares had a closing price of 270.5p at the half year end (31 May 2022: 295.5p). • Disappointingly, the share price discount to NAV widened to 42% as at the half year end (31 May 2022: 35%).	• 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.
NAV per share growth[1] during the half year 4.0%	NAV per share reflects the attributable value of a shareholder's holding in PIP. The generation 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.	6M to Nov 2020 8.9% 6M to Nov 2021 22.1% 6M to Nov 2022 4.0%	• NAV per share increased by 17.9p to 469.5p during the half year (31 May 2022: 451.6p).	• Investing flexibly with top-tier private equity managers to maximise long-term capital growth. • Actively managed portfolio to provide investors with exposure to all types of private equity strategies. • Containing costs and risks by constructing a well-diversified portfolio in a cost-efficient manner.	• Valuations provided by private equity managers. • Fluctuations in currency exchange rates. • Ongoing charges relative to NAV growth and listed private equity peer group. • Tax efficiency of investments. • Effect of financing (cash drag) on performance.
Portfolio investment return[1] for the half year 0.9%	Portfolio investment return measures the total movement in the valuation of the underlying funds and companies 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 2020 16.6% 6M to Nov 2021 19.7% 6M to Nov 2022 0.9%	• Underlying portfolio valuation has remained flat against a backdrop of ongoing market volatility. . • PIP's portfolio is actively managed and focuses on resilient, high-growth sectors.	• Maximise shareholder returns through long-term capital growth.	• Performance relative to listed market and private equity peer group. • Valuations provided by private equity managers.
Liquidity					
Net portfolio cash flow[1] for the half year[2] £34m	Net portfolio cash flow is equal to fund distributions less capital calls to finance investments, and reflects the Company's capacity to finance calls	6M to Nov 2020 £57m 6M to Nov 2021 £121m	• PIP's portfolio generated £112m of distributions versus £78m of calls. • In addition, the Company made new commitments	• 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.

	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	of £303m during the half year, £183m of which was drawn at the time of purchase. • As at 30 November 2022, PIP's portfolio had a weighted average age of 4.8 years (31 May 2022: 4.9 years).		• Commitment rate to new investment Opportunities.
Undrawn coverage ratio[3] 102%	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. Under the terms of its current loan facilities, PIP can continue to make new undrawn commitments unless and until the undrawn coverage ratio falls below 33%.	30 Nov 2020 151% 30 Nov 2021 120% 30 Nov 2022 102%	• The current level of commitments is consistent with PIP's conservative approach to balance sheet management. • In line with historical experience, the Company expects undrawn commitments to be funded over a period of several years.	• Flexibility in portfolio construction, allowing the Company to select a mix of primary, secondary and co-investments, and vary investment pace, to achieve long-term capital growth.	• Relative weighting of primary, secondary and co-investments in the portfolio. • Age profile of undrawn commitments. • Trend in distribution rates. • Ability to access debt markets on favourable terms.

[1] *Excludes valuation gains and/or cash flows associated with the ALN.*

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

[3] *Outstanding commitments relating to funds outside their investment period (>13 years old) were excluded from the calculation of undrawn coverage ratio given the low likelihood of these being drawn. This amounted to £53.9m as at 30 November 2020, £55.2m as at 30 November 2021 and £59.7m as at 30 November 2022.*

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"), 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.

Financing Our Undrawn Commitments

Prudent balance sheet management supports PIP's long-term investment strategy.

We manage PIP to ensure that it has enough 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. We monitor and closely control the Company's level of undrawn commitments and future calls. 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 so that it has the right balance of exposure to primaries, secondaries and co-investments.

Managing our financing cover

PIP's undrawn commitments were £848m as at 30 November 2022 (31 May 2022: £755m). Of the £848m undrawn commitments as at the period end, £60m relate to funds that are more than 13 years old and therefore outside their investment periods.

As at 30 November 2022, PIP had net available cash[1] balances of £52m (31 May 2022: £227m). In addition to these cash balances, PIP also has access to a wholly undrawn £500m multi-currency revolving credit facility agreement ("loan facility") that expires in July 2027. Using exchange rates at 30 November 2022, the loan facility amounted to a sterling equivalent of £508m (31 May 2022: £301m).

Effective 30 November 2022, the Company revised the methodology used for calculating its coverage ratios to exclude undrawn commitments that are unlikely to be called.

The Company had £560m of available financing as at the period end (31 May 2022: £528m) which, along with the value of the private equity portfolio, provides comfortable cover of 3.9 times (31 May 2022: 3.7 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 102% as at 30 November 2022 (31 May2022: 108%).[2]

[1] *The available cash and loan figure excludes the current portion payable under the ALN, which amounted to £0.6m as at 30 November 2022.*

[2] *Excludes outstanding commitments relating to funds outside their investment period (>13 years old), amounting to £59.7m as at 30 November 2022 and £57.1m as at 31 May 2022.*

Undrawn commitments by region[1]

The largest share of undrawn commitments is represented by investments in the USA and Europe, which highlights the Company's investment focus on more developed private equity markets. PIP's undrawn loan facility is denominated in US dollars and euros to match the predominant currencies of its undrawn commitments.

Region	**%**
USA	44%
Europe	34%
Global	13%
Asia and EM[2]	9%

Undrawn commitments by stage[1]

PIP's undrawn commitments are diversified by stage with an emphasis on small and mid-market buyout managers, many of whom have experience of successfully investing across multiple economic cycles.

Stage	%
Small/mid buyout	49%
Large/mega buyout	19%
Growth	18%
Venture	9%
Special situations	5%

Undrawn commitments by vintage[1]

The rise in more recent vintages is a result of PIP's increased allocation to direct investments in recent years. Approximately 8% of PIP's undrawn commitments are in funds with vintage years which are 2010 or older. Generally, when a fund is past its investment period, it cannot make any new investments and only draws capital to fund follow-on investments into existing portfolio companies, or to pay expenses. As a result, the rate of capital calls by these funds tends to slow dramatically.

Vintage	%
2023	8%
2022	38%
2021	18%
2020	4%
2019	7%
2018	5%
2017	2%
2016	3%
2015	3%
2014	1%
2011-2013	3%
2010 and earlier	8%

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

[2] *EM is Emerging Markets*

MANAGER'S REVIEW

PORTFOLIO AS AT 30 NOVEMBER 2022

Since its inception, PIP has been able to generate excellent 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 and region

Flexible approach to portfolio construction increases potential for outperformance.

Investment type[1]	
Co-investments	34%
Primary	33%
Secondary	33%

Weighted towards the more developed private equity markets in the USA and Europe while Asia and EM provide access to faster-growing economies.

Fund region[1]	
USA	55%
Europe	28%
Asia and EM[2]	10%
Global [3]	7%

1 Fund investment type and region charts are based upon underlying fund and company valuations. The charts exclude the portion of the reference portfolio attributable to the ALN.

2 EM is Emerging Markets.

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

Maturity and stage

PIP's portfolio has a weighted average fund age of 4.8 years.

Fund maturity[1]	
2021 and later	25%
2020	7%
2019	12%
2018	13%
2017	12%
2016	10%
2015	8%
2014	3%
2011-2013	5%
2010 and earlier	5%

Well-diversified with an emphasis on the buyout stages.

Fund stage[1]	
Small/mid buyout	43%
Large/mega buyout	26%
Growth	21%
Special situations	7%
Venture	3%

[1] *Fund stage and maturity charts are based upon underlying fund and company valuations. The charts exclude the portion of the reference portfolio attributable to the ALN.*

PERFORMANCE

PIP's portfolio value has remained relatively stable. Access to top-performing managers and a tilt towards resilient and high-growth sectors has helped PIP to withstand the current macro environment.

Private equity portfolio movements

PIP's portfolio generated returns of 0.9% during the half year.[1]

Portfolio value 31 May 2022	£2,200m
Valuation gains	+£19m
FX impact	+£74m
Distributions	(£112m)
Calls	+£78m
New investments[2]	+£183m
Portfolio value 20 Nov 2022	£2,442m

[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]

The portfolio is proving to be resilient through the current macroeconomic environment, despite modest valuation losses in the co-investment and primary strategies.

	Closing portfolio NAV%	**Return**
Secondary	33%	4.0%
Co-investments	34%	(0.5%)
Primary	33%	(0.7%)

Valuation movement by stage[1]

Gains in the buyout and special situations stages offset valuation losses in the venture and growth segments of the portfolio.

	Closing portfolio NAV%	**Return**
Special situations	7%	6.8%
Small/mid buyout	43%	3.7%
Large/mega buyout	26%	1.0%
Growth	21%	(4.3%)

Venture	3%	(15.9%)

Valuation movement by region[1]

PIP's portfolio is weighted towards US investments, which generated positive returns during the period.

	Closing portfolio NAV%	Return
USA	55%	2.3%
Asia and EM	10%	0.4%
Europe	28%	(0.3%)
Global	7%	(3.5%)

[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.

OUR MARKET

Long-term investing through unsettled times.

Helen Steers, Partner at Pantheon and lead manager of PIP, reflects on the impact on private equity of a turbulent year for the world economy and how PIP is well positioned to navigate the challenges ahead.

The year 2022 was characterised by the continued uncertainty caused by the COVID-19 pandemic, building inflationary pressures and the humanitarian and energy crises triggered by the conflict between Russia and Ukraine. All of these events have rocked the global economy and inflation is now running at or near 40-year highs in most major economies. At the same time, central banks have been raising interest rates at their fastest pace in decades. This is leaving many households to grapple with the sharp rise in the cost of living, particularly in Europe which has felt the brunt of energy shortages and increased fuel costs. The combined impact of higher inflation, rising interest rates and geopolitical uncertainty has already affected global GDP growth and, as we head into 2023, economists are predicting recessions in many major advanced economies, although there is some debate about the depth and length of these.

It also brings challenges for private equity investors who must analyse how existing portfolio companies may be impacted by an economic downturn and how to navigate a changed environment for new investments in which buyers and sellers are having to find a new equilibrium on pricing. However, our experience during four decades of investing in private equity has shown that this asset class particularly comes to the fore in difficult times, since it can provide not only the capital, which is invested with a long-term investment horizon, but also much needed operational expertise and strategic guidance for portfolio companies. Other benefits include the strong governance model and the alignment of interests between the private equity manager and investee company, both of which are inherent features of private equity. On behalf of PIP, we aim to back managers who have built portfolios that are able to withstand uncertainty and to select portfolio companies that are resilient and exhibit defensive characteristics. In fact, market cycles and dislocations like those that we are currently experiencing can bring opportunities for seasoned investors like us and the PE managers that we invest alongside.

Following an all-time high in 2021, new deal activity remained robust in the first quarter of 2022, levelled off in the second quarter and decelerated in the third quarter as the macroeconomic conditions started to impact overall investor sentiment. In addition, for some investors the reduction in public market valuations relative to private market valuations has resulted in them becoming over allocated to private equity as a proportion of their overall assets. This is the so-called "denominator effect" which is likely to make fundraising more challenging for many private equity managers in the foreseeable future. Nevertheless, we expect that the top-rated, access-constrained private equity managers will still be able to raise capital quickly via oversubscribed funds regardless of what is happening in the world around them. Although fundraising may be under pressure this year, it should be noted that private equity mangers have enjoyed record fundraising years previously and dry powder, which consists of capital raised but not yet invested, stood at $2.5 trillion as at 31 December 2022[1]. This puts private equity managers in a strong position to take advantage of deal flow over the coming months.

We believe that looking at opportunities through a long-term investment lens is essential to tap into the ongoing megatrends that we believe are here to stay. For example, the two largest sectors in PIP's portfolio - information technology and healthcare - are being propelled by underlying themes such as digitisation and automation; ageing demographics in developed markets; and the increasing demand for high-quality healthcare products and services. Spending on mission-critical software tends to continue through market cycles and historically has been resilient to recessions. According to a recent press article, IT consultancy Gartner estimated that spending on business software and IT services would remain steady year-on-year, together accounting for more than US$2.16tn in projected spending in 2023. Within IT services, Gartner projected that spending on consulting services alone would reach US$264bn, up 6.7% from 2022[2]. In the USA, where over half of PIP's portfolio is invested, healthcare spending could grow by 7.1% in the next five years to 2027[3]. Financial services, which may have been neglected by investors recently, as well as sustainability and energy efficiency, are also interesting investment areas for private equity.

PIP's portfolio is tilted towards small/mid-market buyouts, which are attractive because there are a number of techniques that our managers can implement to help the companies in this stage to grow. These are smaller businesses that are often in the process of scaling up and investments in this sector typically benefit from multiple exit routes. Mid-market deals can often be overlooked as they are more complex transactions requiring significant expertise in sourcing, due diligence and monitoring, and originating these opportunities requires the kind of deep relationships that Pantheon has developed with many mid-market private equity managers. One characteristic that is especially relevant in the current market is that they are typically valued more conservatively and may be purchased with less debt financing and therefore are less exposed to rising interest rates and a slowdown in growth.

An important part of our due diligence process focuses on understanding how our managers plan to exit their portfolio companies once their value creation strategies have been achieved. Following a record year in 2021 for exits, both in terms of number and value, these slowed significantly in 2022 and we expect this to continue through 2023. An important feature of private equity is that our managers are not under pressure to sell their portfolio companies therefore they can afford to wait for more accommodative market conditions to realise the full potential of their investments. Despite this, deals are still taking place with the highest quality companies being sold at attractive valuations. During the six months to 30 November 2022, just 4% of PIP's portfolio companies were sold as a result of them being taken public, while over half of exits were to trade buyers. Therefore, there is limited impact on PIP's portfolio from the slowdown in the global IPO markets.

[1] *Preqin, downloaded February 2023.*

[2] *Global IT Spending Decreased in 2022, Wall Street Journal, 18 January 2023.*

[3] *Source: McKinsey & Company.*

Private equity secondary opportunities have increased, driven by manager-led deals
In an environment where growth is slowing and inflation is rising, institutional investors often experience a need for liquidity in order to meet liabilities elsewhere. This, coupled with the denominator effect described earlier, can drive investors to look for ways to derive cash from their existing investments. The global secondaries market had already been establishing itself as an active portfolio management tool for a wide range of investors in private equity funds but in unsettled markets, such as we are experiencing currently, an effective and growing secondary market creates interesting opportunities for investors like PIP to take advantage of dislocation and access high quality private equity assets at attractive valuations and at a discount to their fair market values.

Despite the challenging macroeconomic backdrop, the secondaries market recorded its second largest year ever in2022 with transaction volumes of more than US$103bn[4]. Manager-led deals, which is when the private equity managers themselves instigate deals in order to provide liquidity options for the investors in their funds, are a fast-growing part of the secondaries market and they accounted for under half (46%[4]) of all secondary transactions. With the remainder being traditional fund secondary transactions, which is when an investor in a fund initiates a sales process with aim of selling to another investor. Manager-led deals can consist of either multi-asset portfolios or single-asset secondaries.

A single-asset secondary is an investment in an individual company owned by an existing private equity fund. The private equity manager may be under pressure to sell the company to provide liquidity to existing investors or is 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 fund manager believes has significant further potential for growth. These competing priorities can be resolved by bringing in new investment, typically from specialised secondary firms such as Pantheon, and carving the company out into a new structure typically called a "continuation" fund. When successful, and with the correct alignment of interest between existing investors, the private equity manager, company management and the new investors, these types of transaction tend to have an attractive risk/return profile and can be of significant value to all parties involved:

- They are appealing to the existing investors who have the option to take the liquidity or to roll their interests into the new vehicle and remain exposed to the asset going forwards.

- They allow the private equity manager to continue to hold on to and keep control of what they might see as one of their highest-quality assets, which they would otherwise have been required to sell. The employees of the company are often in favour of these types of transactions as they do not have to experience a change in ownership or management, and the disruption this could bring.

- Meanwhile, new investors have the opportunity to invest in otherwise "not-for-sale" assets, alongside proven PE managers who know the company well, and experienced company management teams.

All of this makes these investments at their best a real "win-win-win" for everyone involved. In a market environment where there are fewer exit routes for companies, this option is likely to become even more compelling.

Single-asset secondaries are complex transactions which require significant expertise and resources, and are frequently sourced on a proprietary basis through deep manager relationships. Pantheon has a decades-long track record in the secondaries market and our dedicated and experienced team gives us global scale and reach. The Partners in Pantheon's secondary team have on average 23 years' investment experience and the average length of relationships with the private managers that we have invested with is 21 years. Furthermore, Pantheon secondary team benefits from the wider Pantheon investment platform, with its extensive global manager coverage and close relationships, including through the 589[5] advisory boards seats held.

Despite extraordinary growth in the secondaries market and in single-asset deals in particular, Pantheon has maintained its discipline and selectivity. When assessing these kinds of deals on behalf of PIP, we are looking to invest alongside high-quality managers with whom we usually have an existing relationship, which allows us to start from a foundation of trust. This also means that we are often investing in companies that we have either already backed in some way, or that we have followed for some time. As with secondary deals more generally, the key is in aligning interests and finding consensus around valuations. For Pantheon that means independently pricing the asset and undertaking a thorough analysis of the underlying business. We conduct a full bottom-up assessment to develop our conviction around the resilience and potential of the assets that we are underwriting. This includes understanding:

- Defensive characteristics around current earnings and customer base;

- Macro and structural tailwinds behind the markets the company operates in and company's market-leading position;

- Exposure of cash flows to inflationary pressures;

- Exposure of company to financing or refinancing risk;

- The fundamental drivers of future revenue growth and

- Avoiding deals where leverage has been aggressively used.

In the current market environment, we expect secondary momentum to continue and to capitalise on this, PIP committed US$112.5m (£93.5m) to the Pantheon Secondary Opportunity Fund II (PSOF II), which is focused on single-asset secondaries, following the period end. PIP's commitment is expected to be deployed over a three-year investment period.

[4] *Source: Evercore Private Capital Advisory, 2022 Secondary Market Synopsis, January 2023.*

[5] *As at 31 December 2022*

PIP continues to benefit from Pantheon's established and scaled co-investment platform

Co-investments are attractive for PIP as they enable the Company to invest directly in exciting high-growth companies on the same terms and conditions as the private equity manager. They are also typically free of management and performance fees. PIP benefits from Pantheon's large global network of primary and secondary relationships from which we are able to source co-investment opportunities. In many cases, the strength of our relationships has resulted in us being offered proprietary deals whereby we are the only party to be invited to co-invest alongside a manager.

The co-investment market has become increasingly competitive, however we believe that Pantheon has a distinct advantage and is an attractive co-investor for our private equity managers because:

- We do not compete against them and are viewed as a desirable investment partner; as a result, we believe that we see a large proportion of co-investments on offer from our core managers around the world;

- Our consistent reliability in co-underwriting transactions means that we have become a "go to" partner for many of our private equity managers;

- We have the scale to deploy substantial capital quickly into new deals and follow-on investments; and

- We have proven our willingness to step in at an early stage to help our managers to secure and execute upon exciting opportunities through co-underwriting transactions.

Pantheon continues to assess each co-investment opportunity on its own merits with each co-investment passing through a "double quality filter", since each opportunity has first been evaluated by one of our best private equity managers, who themselves have already 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.

In the current environment we have remained cautious, disciplined and selective and, as a result, our already stringent approval rate dropped over the course of 2022 to around half of what it was at the beginning of the year. This is mainly attributable to, among other things, our cautious approach in evaluating deal pricing and company growth prospects against an increasingly challenging macroeconomic environment. Having said that, we have seen more reasonable valuations as we head into 2023. Although deal flow volume has moderated in the current environment, co-investments in companies that command a leading or differentiated market position, have a sticky revenue base and are benefitting from secular growth, will continue to attract strong interest.

Typically, we will only co-invest in companies that display the following attributes:

- We focus only on compelling opportunities with the highest-quality managers that we believe are able to meet our return expectations;

- The business must be a good fit for the manager's geographical, sectoral and stage expertise and experience;

- There are multiple and clear value creation levers that our managers can pull;

- Structured deals or businesses that have reasonable entry valuations;

- We focus on attractive, resilient sectors that are experiencing long-term tailwinds and have the potential for strong organic growth through the launch of additional products and services;

- Defensive businesses that have the ability to maintain revenue and margin stability even in an economic downturn; and

- There is the potential for add-on acquisitions that can help the business to build scale and grow its market share.

PIP committed £130.4m to 10 co-investments during the six months to 30 November 2022 and, at the end of the period, co-investments accounted for 34% of PIP's portfolio.

Private equity versus public equity performance
There is no doubt that 2022 was a bumpy ride for public markets albeit some recovery was observed towards the end of the year. Private equity valuations have not tracked the declines seen in the public markets and some of the main reasons for this are because private equity managers generally take a more conservative approach when valuing their portfolio companies, usually have control positions which means that they can manage their portfolio companies more actively, and they are not under any pressure to sell. As a result, the pressures that the current environment places on the public markets are generally not reflected in the private markets, and private equity performance has historically been less volatile overall. For example, the chart in the Half Year Report shows that the dips in private equity performance during the Global Financial Crisis and in the first quarters of the COVID-19 crisis were far less marked than those seen in the public markets and the recovery has been far stronger.

Our managers' generally conservative approach to valuing their assets means that PIP has consistently seen exits in its portfolio being achieved at attractive uplifts. This has continued in this reporting period with a weighted average uplift achieved on exit of 33% being achieved during the six months to 30 November 2022. The weighted average uplift since 2012, which is when we started tracking this metric for PIP, has been 31%. This demonstrates the embedded value in PIP's buyout portfolio and the resilience of the underlying companies.

Outperformance through economic cycles
The best private equity managers are able to outperform public markets consistently and especially during times of economic stress. The graphic below shows that between 2002 and 2022, upper quartile private equity managers outperformed the Dow Jones Industrial Average ("DJIA") index by 890 basis points in bull markets, while this widened to 1940 basis points in bear markets. The private equity average also performed strongly in the latter scenario.[1]

Both these statistics and the chart within the interim report which shows the wide dispersion of returns in private equity, indicate that investing with top-quality managers, whose funds are often oversubscribed and invitation-only, is crucial. PIP, through Pantheon's extensive network of deep relationships, has access to many of the best private equity managers in the world.

[1] DJIA , Capital IQ as at 30 October 30 2022. ThomsonOne PE Buyout and Growth funds Index as at Q2 2022. Bull markets are defined as 2004-2006 and 2010-2019 and 2021. Bear markets are defined as 2002-2003; 2007-2009, 2020 and YTD 2022.

Outlook
The world has changed substantially over the past 12 months and it is difficult to predict what is yet to come. But what we can say is that, while the last 10 years have been good for all asset classes, private equity has outperformed the public markets and the evidence suggests that private equity outperformance tends to be even greater during lower public market return periods. This is a testament to the "super active" private equity model and we expect the hands-on approach of our managers to become more important than ever through 2023 and beyond. There are clearly challenges which will impact private equity, as is the case for many other industries, but, perhaps thanks to its unique attributes, the assets under management ("AUM") in the global private equity market is still forecasted to grow by 10.2% CAGR from 2021 to reach US$7.6tn in 2027[1].

We believe that private equity investment can add real value to companies and this can be seen especially in the sectors that PIP focuses on, which are being propelled by positive long-term secular trends. The advantages of being backed by a private equity manager who has sector expertise and can implement active professional management, as well as being a capital partner who can support their portfolio companies when the going gets tough, should not be underestimated.

Those same managers are experienced at being able to buy good assets at lower valuations during periods of volatility. As a global private markets investor with a 40-year history, Pantheon is well positioned to take advantage of these potential opportunities on behalf of PIP. Pantheon has managed PIP through multiple economic cycles and, since it was launched over 35 years ago, the Company has significantly outperformed the public market benchmarks. PIP's balance sheet is resilient and the underlying companies in its portfolio are performing well, delivering revenue and earnings growth in excess of the MSCI World index. While we must not become complacent, all of this gives us confidence that PIP is in good shape and ready to face whatever the future holds.

DISTRIBUTIONS

PIP's mature portfolio continued to generate distributions despite a challenging exit environment. Distributions have been incremental to returns, with many reflecting realisations at significant uplifts to carrying value.

Distributions by region and stage

PIP received £112m in proceeds from PIP's portfolio in the half year to 30 November 2022 (year to 31 May 2022: £419m), equivalent to an annualised distribution rate of 10% relative to opening private equity assets (31 May 2022: 25%). US and European buyouts accounted for the majority of the distributions.

Distributions by stage

For the half year to 30 November 2022	
Small/mid buyout	43%
Large/mega buyout	26%
Growth	18%
Special situations	8%
Venture	5%

Distributions by region

For the half year to 30 November 2022	
USA	45%
Europe	30%
Global	13%
Asia and EM	12%

Quarterly distribution rates[1]

Although PIP's portfolio has continued to generate cash, there has been a slowdown in distributions during the period due to the challenging economic environment which has impacted exit activity.

Distribution rates by vintage[1]

With a weighted average fund maturity of 4.8 years[2] at the end of the period (31 May 2022: 4.9 years), PIP's portfolio should continue to generate significant levels of cash.

Cost multiples on exit realisations[3]

The average cost multiple on exit realisations of the sample was 3.1 times, demonstrating value creation over the course of PIP's investment.

Uplifts on exit realisations[1]

The value-weighted incremental average uplift on exit realisations in the half year was 33%, consistent with our view that realisations can be significantly 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.

Exit realisations by sector and type

Realisation activity was strongest in the financials and information technology sectors. Trade sales and secondary buyouts represented the most significant sources of exit activity during the half year. The data in the sample provide coverage for 100% (for exit realisations by sector) and 100% (for exit realisations by type) of proceeds from exit realisations received during the period.

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

[2] Calculation for weighted average age excludes the portion of the reference portfolio attributable to the Asset Linked Note. Fund age refers to the year in which a fund makes its first call or, in the case of a co-investment, the year in which the co-investment was made.

[3] See page 111 of the Alternative Performance Measures section within the full Interim Report for sample calculations and disclosures.

Exit realisations by sector

For the half year to 30 November 2022

Financials	28%
Information technology	26%
Consumer	12%
Industrials	10%
Healthcare	8%
Energy	7%
Communication services	5%
Real estate	3%
Materials	1%

Exit realisations by type

For the half year to 30 November 2022

Trade Sale	55%
Secondary buyout	39%
Public market sale	4%
Refinancing and recapitalisation	2%

CALLS

Calls during the half year were used to finance investments in high-quality businesses globally.

Calls by region and stage

PIP paid £78m to finance calls on undrawn commitments during the half year (year to 31 May 2022: £187m). Calls were predominantly made by US-based private equity managers in the growth and buyout segments.

Calls by region

USA	56%
Europe	19%
Global	17%
Asia and EM	8%

Calls by stage

Large/ mega buyout	33%
Growth	30%
Small/ mid buyout	28%
Venture	8%
Special situations	1%

Calls by sector

A large proportion of calls were for investments made in the information technology sector.

Information Technology	52%
Industrials	12%
Healthcare	10%
Communication services	9%
Consumer	6%
Financials	5%
Energy	3%
Others	2%
Materials	1%

Quarterly call rate[1]

The annualised call rate for the half year to 30 November 2022 was equivalent to 21% of opening undrawn commitments (31 May 2022: 35%).

[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

PIP committed £303m to 21 new investments during the half year (year to 31 May 2022: £496m, 70 new investments). Of the total commitments made, £183m was drawn at the time of purchase. Since the period end, PIP has committed a further £113.0m to two new investments, the majority of which is a US$112.5m (£93.5m) commitment to the Pantheon Secondary Opportunity Fund II (PSOF II), which is focused on single-asset secondaries.

Our investment process

Investment opportunities in funds and companies 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 businesses.

Cash generated from the sale of those companies is returned to PIP and redeployed into new investment opportunities.

New commitments by investment type

New commitments during the half year were to all three types of investment which make up PIP's portfolio, with each demonstrating attractive characteristics for overall portfolio construction.

Co-investment	43%
Primary	37%
Secondary	20%

New commitments by region

All of the commitments made in the half year were opportunities in the developed US and European private equity markets.

USA	56%
Europe	44%

New commitments by stage

Buyout investment activity was robust during the period.

Small/mid buyout	72%
Large/ mega buyout	24%
Venture	4%

New commitments by vintage

Primaries, co-investments and manager-led secondaries, which accounted for 100% of total commitments during the half year, offer exposure to current vintages.

2022	82%
2023	18%

Primary Commitments

£111 committed to six primaries during the half year.

Investing in primary funds allows PIP to gain exposure to top-tier, well-recognised managers, including smaller niche funds that might not typically be traded on the secondary market.

PIP focuses on investing with high-quality, access-constrained managers who have the proven ability to drive value at the underlying company level, and to generate strong returns across market cycles. In addition, we target funds with market-leading specialisms in high-growth sectors such as healthcare and information technology.

Investment	Stage	Description	Commitment
ECI 12	Small/mid buyout	UK buyout fund investing in the small-mid market segment, focusing on the information technology, telecommunications, business services and leisure sectors	£22.0m
Altor Fund VI	Small/mid buyout	Nordic buyout fund targeting growth-orientated mid market companies in a range of sectors	£21.9m
Chequers Capital XVIII	Small/mid buyout	European buyout fund focused on the industrials, healthcare and business services sectors	£20.9m
Sentinel Capital Partners VII	Small/mid buyout	North American buyout fund focused on management buyouts and acquisitions of family businesses	£19.3m
Ambienta IV	Small/mid buyout	European buyout fund focused on resource efficiency and pollution control	£14.9m
Accel Leaders Fund IV	Venture	North American venture fund focused on late stage venture and growth deals	£12.4m

Secondary commitments

The private equity secondary market has grown significantly over the last 10 years, both in scale and complexity. Despite strong competition, PIP continues to originate compelling opportunities derived from Pantheon's global platform and its market-leading expertise in sourcing and executing complex secondary transactions over which it may have proprietary access.

Manager-led secondary commitments

£61m committed to five manager-led secondary transactions during the half year.

Top-tier private equity managers are increasingly transferring some of their most attractive portfolio companies into continuation vehicles, mainly in the form of single-asset secondaries. By holding companies for longer, private equity managers are able to participate in the companies' next phase of growth.

Investment	Private equity manager	Stage	Description	Geography	Commitments	Funded %
ShiftKey	Lorient Capital	Small/mid buyout	A leading tech-enabled, healthcare staffing marketplace platform	USA	£12.5m	100%
JSI	Stone-Goff Partners	Small/mid buyout	Provider of services to Telecommunications industry	USA	£9.3m	85%
Smile Doctors	Linden Partners	Small/mid buyout	Orthodontic treatment and services provider	USA	£8.5m	100%
Valantic	Deutsche Private Equity		Leading digital consulting and software company based in Germany	Europe	£18.2m	77%
AWK Group	Deutsche Private Equity		An independent management and technology consulting firm based in Switzerland	Europe		

Since the period end, PIP has committed US$112.5m to the Pantheon Secondary Opportunity Fund II (PSOF II), which is focused on single-asset secondaries. PIP's commitment, which is expected to be deployed over a three-year investment period, forms part of the Company's strategy to capitalise on attractive opportunities in this fast-growing segment of the secondaries market.

CO-INVESTMENTS

£130m committed to 10 co-investments during the half year

PIP's co-investment programme benefits from Pantheon's extensive primary investment platform which has enabled PIP to participate in proprietary deals that would otherwise be difficult to access.

PIP invests directly into companies alongside private equity managers who have the sector expertise to source and acquire attractively priced businesses and build value through operational enhancements, organic growth and buy-and-build strategies.

New co-investments by region	
USA	68%
Europe	32%

New co-investments by sector	
Information Technology	60%
Consumer	17%
Industrials	16%
Communication services	7%

New co-investments by stage	
Large/ mega buyout	56%
Small/ mid buyout	44%

Investment	Sector	Geography	Private equity manager	Description	Commitments
Kaseya	Information Technology	Europe	Insight Partners	Provider of IT management and monitoring software services	£21.0m
Anaplan	Information Technology	USA	Thoma Bravo	Developer of a cloud-based modeling and planning platform	£20.0m
Access	Information Technology	Europe	Hg Capital	Developer of business management software	£13.8m
IOI	Industrials	USA	Altamont Capital Partners	Provider of food processing services	£12.3m
SailPoint	Information Technology	USA	Thoma Bravo	Provider of enterprise identity governance solutions	£12.0m
Elevation	Consumer	USA	Know Lane Capital	Manufacturer of premium beauty products	£11.8m

BUYOUT ANALYSIS[1]

Revenue and EBITDA growth

Weighted average revenue and EBITDA growth of 23.0% and 10.6% respectively, for PIP's sample buyout companies have consistently 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 many private equity managers.

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 sample-weighted average Enterprise Value (EV)/EBITDA was 17.3 times compared to 14.7 times for the MSCI World index and this should be considered in the context of the underlying growth rates for each.

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 to other sectors.

Debt multiples

Venture, growth and buyout investments have differing leverage characteristics.

Average debt multiples for small/mid buyout investments, which represent the largest segment of PIP's buyout portfolio, are typically lower than debt levels in the large/mega-buyout segment.

The venture and growth portfolios have little or no reliance on leverage.

	% of PIP's portfolio	Debt multiple
Large/mega buyout	26%	6.2x
Small/mid buyout	43%	4.9x
LBO[2] (Market Data)		5.9x

1 The sample buyout figures for the 12 months to 30 June 2022 were calculated using all the information available to the Company. The figures are based on unaudited data. MSCI data was sourced from Bloomberg. See page 111 of the Alternative Performance Measures section for sample calculations and disclosures.

2 Leveraged buyout.

OTHER INFORMATION - LARGEST 50 MANAGERS BY VALUE

Rank	Manager	Region[1]	Stage	% of total private equity asset value[2]
1	Insight Partners	USA	Growth	7.5%
2	Index Ventures	Global	Venture, Growth	4.5%
3	Providence Equity Partners	USA	Buyout, Growth	3.3%
4	Hg	Europe	Buyout	2.8%
5	Advent International	Global	Buyout	2.2%
6	Baring Private Equity Asia	Asia & EM	Growth	2.2%
7	Water Street Healthcare Partners	USA	Buyout	2.0%
8	ABRY Partners	USA	Buyout	1.9%
9	Parthenon Capital	USA	Buyout	1.9%
10	Thoma Bravo	USA	Buyout	1.7%
11	LYFE Capital	Asia & EM	Growth	1.7%
12	Veritas Capital	USA	Buyout	1.6%
13	Apax Partners	Europe	Buyout	1.5%
14	Mid Europa Partners	Europe	Buyout	1.4%
15	Searchlight Capital Partners	Global	Special situations	1.3%
16	IK Investment Partners	Europe	Buyout	1.2%
17	Quantum Energy Partners	USA	Special situations	1.2%
18	Charlesbank Capital Partners	USA	Buyout	1.2%
19	TPG Capital Asia	USA	Buyout	1.2%
20	Lee Equity Partners	USA	Buyout	1.2%
21	Hellman & Friedman	USA	Buyout	1.1%
22	HIG Capital	USA	Buyout	1.1%
23	Apollo Advisors	USA	Buyout	1.1%
24	Altamont Capital Partners	USA	Buyout	1.1%
25	OAK HC/ FT Associates	USA	Growth	1.1%
26	BC Partners	Europe	Buyout	1.1%
27	Energy Minerals Group	USA	Special Situations	1.0%
28	Deutsche Private Equity	Europe	Buyout	1.0%
29	Lorient Capital	USA	Growth	0.9%
30	Calera Capital	USA	Buyout	0.9%
31	Five Arrows	Europe	Buyout	0.9%
32	Chequers Capital	Europe	Buyout	0.9%
33	Altor Capital	Global	Buyout	0.9%

34	NMS Capital	USA	Buyout	0.8%
35	Onex Partners	Global	Buyout	0.8%
36	Growth Fund[3]	Europe	Buyout	0.8%
37	Growth Fund[3]	Asia & EM	Buyout	0.8%
38	Main Post Partners	USA	Growth	0.8%
39	Francisco Partners	USA	Buyout	0.8%
40	ECI Partners	Europe	Buyout	0.8%
41	Warburg Pincus	Global	Growth	0.8%
42	PAI Partners	Europe	Buyout	0.8%
43	Ergon Capital Partners	Europe	Buyout	0.7%
44	Shamrock Capital Advisors	USA	Buyout	0.7%
45	3i Group	Europe	Buyout	0.7%
46	Stone Goff	USA	Buyout	0.7%
47	Allegro	Asia & EM	Special Situations	0.7%
48	Ares Management	USA	Buyout	0.6%
49	Nordic Capital	Europe	Buyout	0.6%
50	Sageview Capital	USA	Growth	0.6%
Coverage of PIP's total private equity asset value				**69.1%**

[1] Refers to the regional exposure of funds.

[2] Percentages look-through feeders and funds-of-funds and exclude the portion of the reference portfolio attributable to the ALN.

LARGEST 50 COMPANIES BY VALUE[1]

Rank	Company	Country	Sector	% of PIP'S portfolio
1	Kaseya	Switzerland	Information Technology	0.9%
2	Asurion	USA	Financials	0.9%
3	ShiftKey	USA	Healthcare	0.8%
4	Omni Eye Services	USA	Healthcare	0.8%
5	Anaplan	USA	Information Technology	0.8%
6	Ascent resources	USA	Energy	0.7%
7	Vistra	Hong Kong	Financials	0.7%
8	LifePoint	USA	Healthcare	0.7%
9	Eversana	USA	Healthcare	0.7%
10	Recorded Future	USA	Information Technology	0.7%
11	Visma	Norway	Information Technology	0.6%
12	Millennium Trust Company	USA	Financials	0.6%
13	Star Health Insurance	India	Financials	0.6%
14	Action	Netherlands	Consumer	0.6%
15	CAA	USA	Communication Services	0.6%
16	Froneri	UK	Consumer	0.6%
17	24 seven	USA	Industrials	0.6%
18	Perspecta	USA	Information Technology	0.6%
19	RLD Atix	USA	Healthcare	0.6%
20	Logic Monitor	USA	Information Technology	0.6%
21	KD Pharma	Germany	Healthcare	0.5%
22	Kilcoy	Australia	Consumer	0.5%
23	Software Company[2]	USA	Information Technology	0.5%
24	ALM	USA	Communication Services	0.5%
25	Nord Anglia Education	Hong Kong	Consumer	0.5%
26	Trimech	USA	Information Technology	0.5%
27	Access	UK	Information Technology	0.5%
28	Chewy	USA	Consumer	0.5%
29	Vizrt	Norway	Information Technology	0.5%
30	SailPoint	USA	Information Technology	0.5%
31	Sonar	Switzerland	Information Technology	0.5%
32	MRO	USA	Healthcare	0.5%
33	doit	Israel	Information Technology	0.5%
34	Genesys	USA	Information Technology	0.4%
35	Personio	Germany	Information Technology	0.4%
36	Confie	USA	Financials	0.4%
37	Flynn Restaurant Group	USA	Consumer	0.4%
38	ACT Fibernet	India	Communication Services	0.4%
39	IFS	Sweden	Information Technology	0.4%
40	Eagle Investment Trust[2]	Australia	Industrials	0.4%
41	CallRail	USA	Information Technology	0.4%
42	Butendiek	Germany	Utilities	0.4%
43	Digicert	USA	Information Technology	0.4%
44	Prelude	USA	Healthcare	0.4%

45	Elevation	USA	Healthcare	0.4%
46	Kaspi Bank	Kazakhstan	Financials	0.4%
47	HUB International	USA	Financials	0.4%
48	Profi	Romania	Consumer	0.4%
49	Shawbrook Bank	UK	Financials	0.4%
50	Satlink	Spain	Information Technology	0.4%
Coverage of PIP's private equity asset value				**27.0%**

1 The largest 50 companies table is based upon underlying company valuations at 30 September 2022 adjusted for known call and distributions to 30 November 2022, and includes the portion of the reference portfolio attributable to the ALN.

2 The private equity manager does not permit the Company to disclose this information.

PORTFOLIO CONCENTRATION

Pantheon has consciously decreased the number of managers and companies to reduce diversification in the portfolio.

In June 2015, 90 managers and 742 companies comprised 80% of PIP's portfolio. As at 30 November 2022, 72 managers and 571 companies comprised 80% of PIP's portfolio.

1 Exposure is equivalent to the sum of the NAV and undrawn commitments.

INTERIM MANGEMENT REPORT AND RESPONSIBILITY STATEMENT OF THE DIRECTORS

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 2022 and continue to be as set out in that report on pages 46 to 49.

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, the unregulated nature of underlying investments, 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 22 February 2023 and was signed on its behalf by John Singer CBE, Chairman.

CONDENSED INCOME STATEMENT (UNAUDITED) FOR THE SIX MONTHS TO 30 NOVEMBER 2022

	Six months to 30 November 2022			Six months to 30 November 2021			Year Ended 31 May 2022		
	Revenue £'000	**Capital £'000**	**Total* £'000**	Revenue £'000	Capital £'000	Total* £'000	Revenue £'000	Capital £'000	Total* £'000
Gains on investments at fair value through profit or loss**	-	**82,513**	**82,513**	-	418,648	418,648	-	570,049	570,049
(Losses)/gains on financial liabilities at fair value through profit or loss - ALN**	**(80)**	**2,838**	**2,758**	(190)	(12,680)	(12,870)	(305)	(3,123)	(3,428)
Currency gains on cash and borrowings	**-**	**10,877**	**10,877**	-	10,707	10,707	-	19,564	19,564
Investment income	**7,697**	**-**	**7,697**	10,730	-	10,730	19,169	-	19,169
Investment management fees	**(13,932)**	**-**	**(13,932)**	(10,963)	-	(10,963	(23,115)	-	(23,115)
Other expenses	**(1,011)**	**(1,387)**	**(2,398)**	(686)	(499)	(1,185)	(1,274)	(1,326)	(2,600)
(Loss)/return before financing costs and taxation	**(7,326)**	**94,841**	**87,515**	(1,109)	416,176	415,067	(5,525)	585,164	579,639
Interest payable and similar expenses	**(3,784)**	**-**	**(3,784)**	(1,984)	-	(1,984)	(3,967)	-	(3,967)
(Loss)/return before taxation	**(11,110)**	**94,841**	**83,731**	(3,093)	416,176	413,083	(9,492)	585,164	575,672
Taxation paid (Note 2)	**(940)**	**-**	**(940)**	(2,123)	-	(2,123)	(3,075)	-	(3,075)
(Loss)/return for the period being total comprehensive income for the period /year (Note 7)	**(12,050)**	**94,841**	**82,791**	(5,216)	416,176	410,960	(12,567)	585,164	572,597
(Loss)/return per share basic	**(2.26)p**	**17.74p**	**15.48p**	(0.96)p	76.99p	76.03p	(2.32)p	108.38p	106.06p

and diluted (Note 7)							

* The Company does not have any income or expense that is not included in the return for the period therefore 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").

** Includes currency movements on investments.

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

The total column of the statement represents the Company's Statement of Total Comprehensive Income prepared in accordance with UK Financial Reporting Standards ("FRS").

No operations were acquired or discontinued during the period.

There were no recognised gains or losses other than those passing through the Income Statement.

The Notes below form part of these financial statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE SIX MONTHS TO 30 NOVEMBER 2022

	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 2022							
Opening equity shareholders' funds	**36,012**	**269,535**	**3,553**	**1,556,346**	**674,875**	**(112,857)**	**2,427,464**
Cost of buybacks	**(425)**	**-**	**425**	**(16,737)**	**-**	**-**	**(16,737)**
Return for the period	**-**	**-**	**-**	**42,623**	**52,218**	**(12,050)**	**82,791**
Closing equity shareholders' funds	**35,587**	**269,535**	**3,978**	**1,582,232**	**727,093**	**(124,907)**	**2,493,518**
Movement for the six months ended 30 November 2021							
Opening equity shareholders' funds	36,240	269,535	3,325	976,685	679,736	(100,290)	1,865,231
Cost of buybacks	-	-	-	(3,117)	-	-	(3,117)
Return for the period	-	-	-	96,873	319,303	(5,216)	410,960
Closing equity shareholders' funds	36,240	269,535	3,325	1,070,441	999,039	(105,506)	2,273,074
Movement for the year ended 31 May 2022							
Opening equity shareholders' funds	36,240	269,535	3,325	976,685	679,736	(100,290)	1,865,231
Return for the year	-	-	-	590,025	(4,861)	(12,567)	572,597
Cost of buybacks	(228)	-	228	(10,364)	-	-	(10,364)
Closing equity shareholders' funds	36,012	269,535	3,553	1,556,346	674,875	(112,857)	2,427,464

The Notes below form part of these financial statements.

CONDENSED BALANCE SHEET (UNAUDITED) AS AT 30 NOVEMBER 2022

	30 November 2022 £'000	30 November 2021 £'000	31 May 2022 £'000
Fixed assets			
Investments at fair value	**2,476,152**	2,106,793	2,238,608
Current assets			
Debtors	**2,993**	3,921	2,123
Cash at bank	**52,560**	222,632	231,458
	55,553	226,553	233,581
Creditors: Amounts falling due within one year			
Other creditors	**3,960**	5,973	6,138
	3,960	5,973	6,138
Net current assets	**51,593**	220,580	227,443
Total assets less current liabilities	**2,527,745**	2,327,373	2,466,051
Creditors: Amounts falling due after one year			
Asset Linked Loan Note (Note 5)	**34,227**	54,299	38,587
	34,227	54,299	38,587
Net assets	**2,493,518**	2,273,074	2,427,464
Capital and reserves			
Called-up share capital (Note 6)	**35,587**	36,240	36,012
Share premium	**269,535**	269,535	269,535
Capital redemption reserve	**3,978**	3,325	3,553
Other capital reserve	**1,582,232**	1,070,441	1,556,346
Capital reserve on investments held	**727,093**	999,039	674,875
Revenue reserve	**(124,907)**	(105,506)	(112,857)
Total equity shareholders' funds	**2,493,518**	2,273,074	2,427,464
Net asset value per share- ordinary (Note 8)	**469.46p**	421.06p	451.63p
Total ordinary shares for NAV calculation (Note 6)	**531,143,457**	539,844,470	537,493,640

The Notes below form part of these financial statements.

CONDENSED CASH FLOW STATEMENT (UNAUDITED) FOR THE SIX MONTHS TO 30 NOVEMBER 2022

	Six months ended 30 November 2022 £'000	Six months ended 30 November 2021 £'000	Year Ended 31 May 2022 £'000
Cash flow from operating activities			
Investment income received*	**7,257**	10,734	19,157
Deposit and other interest received	**323**	16	28
Investment management fees paid	**(13,716)**	(10,608)	(22,637)
Secretarial fees paid	**(167)**	(132)	(300)
Depositary fees paid	**(86)**	(150)	(254)
Directors fees paid	**(167)**	(161)	(307)
Legal and professional fees paid	**(1,503)**	(681)	(1,707)
Other cash payments**	**(671)**	(437)	(804)
Withholding tax deducted	**(945)**	(2,119)	(3,626)
Net cash outflow from operating activities (Note 9)	**(9,675)**	(3,538)	(10,450)
Cash flows from investing activities			
Purchases of investments	**(231,592)**	(178,524)	(352,620)
Disposals of investments	**76,531**	208,051	402,700
Net cash (outflow)/inflow from investing activities	**(155,061)**	29,527	50,080
Cash flows from financing activities			
ALN repayments	**(3,582)**	(8,496)	(13,786)
Ordinary Shares bought back	**(16,741)**	(3,117)	(10,360)
Loan commitment and arrangement fees paid	**(4,726)**	(1,444)	(2,853)
Net cash outflow from financing activities	**(25,049)**	(13,057)	(26,999)
(Decrease)/increase in cash in the period/year	**(189,785)**	12,932	12,631
Cash and cash equivalents at the beginning of the period/year	**231,458**	199,118	199,118
Foreign exchange gains	**10,887**	10,582	19,709
Cash and cash equivalents at the end of the period/year	**52,560**	222,632	231,458

* Includes dividend income received during the period of £4,999,000 (30 November 2021: £9,903,000; 31 May 2022:£17,692,000) and interest income of £2,142,000 (30 November 2021: £727,000; 31 May 2022: £1,302,000).
** Includes interest paid received during the period of £22,000 (30 November 2021: £52,000; 31 May 2022: £96,000).

The Notes below form part of these financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UNAUDITED)

1. ACCOUNTING POLICIES
A. Basis of preparation

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

The Company applies FRS 102 and the Association of Investment Companies ("AIC") SORP for its financial yearending 31 May 2022 in its Financial Statements. The financial statements for the six months to 30 November 2022 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 year ending 31 May 2022. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The Company's condensed 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 2022 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 2022 and 30 November 2021 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 below. The Annual Report and condensed financial statements for the financial year ending 31 May 2022 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 information has 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 2022. In addition, the Directors have assessed the outlook, which considers the potential further impact of the ongoing geopolitical uncertainties as a result of the Russia-Ukraine conflict including the disruption to the global supply chain and increases in the cost of living as a result of this conflict, persistent inflation, interest rate rises 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, with the worst being a low case downside 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 2022 stood at £560m (30 November 2021: £510m; 31 May 2022: £528m), comprising £52m (30 November 2021: £220m; 31 May 2022: £227m) in available cash balances and £508m (30 November 2021: £290m; 31 May 2022: £301m) (sterling equivalent) in undrawn bank facilities.

- PIP's 30 November 2022 valuation is primarily based on reported GP valuations with a reference date of 30 September 2022, updated for capital movements and foreign exchange impacts. As the longer-term impacts of the ongoing geopolitical uncertainties as a result of the Russia-Ukraine conflict and the impact of climate change may not be fully apparent, the Directors have considered the impact that declining valuations could have on the Company's going concern assessment.

- Unfunded commitments - PIP's unfunded commitments as at 30 November 2022 were £848m (30 November 2021: £658m; 31 May 2022: £755m). 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 credit or capital.

- The Directors have also considered the impact of climate change on PIP's portfolio and have come to the conclusion that there is 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 businesses segmental analysis is provided.

2.Tax on ordinary activities

The tax charge for the six months to 30 November 2022 is £0.9m (six months to 30 November 2021: £2.1m; year to 31 May 2022: £3.1m). The tax charge is wholly comprised of irrecoverable tax suffered on investment income received. 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 2022, investment management services with a total value of £14,734,000, being £13,932,000 directly from Pantheon Ventures (UK) LLP and £802,000 via Pantheon managed fund investments (30 November 2021: £11,299,000; £10,963,000; and £336,000; year to 31 May 2022: £23,977,000; £23,115,000 and £862,000 respectively) were purchased by the Company. At 30 November 2022, the amount due to Pantheon Ventures (UK) LLP in management fees and performance fees disclosed under creditors was £2,340,000 and £nil respectively (30 November 2021: £2,001,000 and £nil respectively; 31 May 2022: £2,124,000 and £nil respectively).

The existence of an Independent Board of Directors demonstrates that the Company is free to pursue its own financial and operating policies and therefore, under the AIC SORP, the Manager is not considered to be a related party.

The Company's related parties are its Directors. Fees paid to the Company's Board for the six months to 30 November 2022 totalled £157,000 (six months to 30 November 2021: £159,000; year to 31 May 2022: £311,000).

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 calendar 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 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 2022, the notional performance fee hurdle is a NAV per share of 486.98p. 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. 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 is comprised of 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 remainder (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. 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. 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. 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 2022, the Company made repayments totalling £3.6m, representing the ALN share of the net cash flow for the three month period to 31 May 2022 and three month period to 31 August 2022. The fair value of the ALN at 30 November 2022 was £34.8m, of which £0.6m represents the net cash flow for the three months to 30 November 2022, due for repayment on 28 February 2023.

During the six months to 30 November 2021, the Company made repayments totalling £8.5m, representing the ALN share of the net cash flow for the three month period to 31 May 2021 and three month period to 31 August 2021. The fair value of the ALN at 30 November 2021 was £57.0m, of which £2.7m represents the net cash flow for the three months to 30 November 2021, due for repayment on 28 February 2022.

During the year to 31 May 2022, the Company made repayments totalling £13.8m, representing the ALN share of the net cash flow for the year to 28 February 2022. The fair value of the ALN at 31 May 2022 was £41.4m, of which £2.8m represents cash flows for the three months to 31 May 2022, due for repayment on 31 August 2022.

6. Called-Up Share Capital

	30 November 2022		30 November 2021		31 May 2022	
Allocated, called up and fully paid:	**Shares**	**£'000**	**Shares**	**£'000**	**Shares**	**£'000**
Ordinary Shares of 6.7p each						
Opening position	**537,493,640**	**36,012**	54,089,447	36,240	54,089,447	36,240
Cancellation of shares	**(6,350,183)**	**(425)**	-	-	(3,400,830)	(228)
Shares issued through share split	**-**	**-**	486,805,023	-	486,805,023	-
Closing position in issue	**531,143,457**	**35,587**	540,894,470	36,240	537,493,640	36,012
Ordinary shares of 6.7p each, held in treasury						
Buybacks for Treasury	**-**		(1,050,000)		(1,050,000)	
Shares cancelled from Treasury	**-**		-		1,050,000	
Closing position held in treasury	**-**	**-**	-	-	-	
Total shares for NAV calculation	**531,143,457**	**35,587**	539,844,470	36,240	537,493,640	36,012

At the Annual General Meeting of the Company held on 27 October 2021, shareholders approved a resolution for a ten for one share split such that each shareholder would receive ten shares with a nominal value of 6.7 pence each for every existing share held. These new shares were listed on 1 November 2021.

During the six months ended 30 November 2022, 6,350,183 ordinary shares were bought back for cancellation at a total cost, including stamp duty, of £16.7m.

During the six months ended 30 November 2021, 1,050,000 ordinary shares were bought back to be held in Treasury at a total cost, including stamp duty, of £3.1m. These Treasury shares were subsequently cancelled.

During the year ended 31 May 2022, 3,275,830 ordinary shares were bought back in the market, to be held in Treasury at a total cost, including stamp duty, of £10.0m. The 3,275,830 shares that were held in Treasury were subsequently cancelled prior to the end of May 2022. In addition, during the year ended 31 May 2022, 125,000 shares were bought back for cancellation, at a total cost, including stamp duty, of £0.3m.

As at 30 November 2022, there were 531,143,457 ordinary shares in issue and no shares held in Treasury (30 November 2021: 540,894,470 ordinary shares with 1,050,000 held in Treasury; 31 May 2022: 537,493,640 ordinary shares with no shares held in Treasury).

7. Return per Share

	Six months to 30 November 2022			Six months to 30 November 2021			Year to 31 May 2022		
	Revenue	**Capital**	**Total**	**Revenue**	**Capital**	**Total**	**Revenue**	**Capital**	**Total**
(Loss)/return for the financial period £'000	**(12,050)**	**94,841**	**82,791**	(5,216)	416,176	410,960	(12,567)	585,164	572,597
Weighted			**534,675,332**			540,547,749			539,896,863

average number of ordinary shares									
Return per share	**(2.26p)**	**17.74p**	**15.48p**	(0.96)p	76.99p	76.03p	(2.32p)	108.38	106.06p

There are no dilutive effects to the return per share.

8. Net Asset Value per Share

	30 November 2022	**30 November 2021**	**31 May 2022**
Net assets attributable in £'000	**2,493,518**	2,273,074	2,427,464
Ordinary shares in issue	**531,143,457**	539,844,470	537,493,640
Net asset value per share	**469.46p**	421.06p	451.63p

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

	Six months to 30 November 2022 £'000	**Six months to 30 November 2021 £'000**	**Period to 31 May 2022 £'000**
Return before finance costs and taxation	**87,515**	415,067	579,639
Withholding tax deducted	**(940)**	(2,123)	(3,075)
Gains on investments	**(82,513)**	(418,648)	(570,049)
Currency gains on cash and borrowings	**(10,877)**	(10,707)	(19,564)
Increase in creditors	**388**	400	483
Increase in other debtors	**(230)**	(46)	(29)
Gains on financial liabilities at fair value through profit or loss - ALN	**2,758**	12,869	3,428
Expenses and taxation associated with ALN	**(260)**	(350)	(1,283)
Net cash outflow from operating activities	**(9,675)**	(3,538)	(10,450)

10. Fair Value Information

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

In the case of investments in private equity funds, this is based on the net asset value 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 market 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 net asset values 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 provided by private equity managers that are invested in the Company.

(ii) Quoted investments are valued at the closing 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. The Level 1 holdings include publicly listed holdings held directly by the Company from in specie distributions received from underlying investments;
- 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); and
- 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 2022

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unlisted holdings	-	-	2,472,990	**2,472,990**
Listed holdings	3,162	-	-	**3,162**
Total	3,162	-	2,472,990	**2,476,152**

Financial liabilities at fair value through profit or loss at 30 November 2022

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
ALN	**-**	-	34,776	**34,776**
Total	**-**	-	34,776	**34,776**

Financial assets at fair value through profit or loss at 30 November 2021

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unlisted holdings	-	-	2,105,650	**2,105,650**
Listed holdings	1,143	-	-	**1,143**
Total	1,143	-	2,105,650	**2,106,793**

Financial liabilities at fair value through profit or loss at 30 November 2021

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
ALN	-	-	57,039	**57,039**
Total	-	-	57,039	**57,039**

Financial assets at fair value through profit or loss at 31 May 2021

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Unlisted holdings	-	-	2,235,639	**2,235,639**
Listed holdings	2,969	-	-	**2,969**
Total	2,969	-	2,235,639	**2,238,608**

Financial liabilities at fair value through profit or loss at 31 May 2022

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
ALN	-	-	41,374	**41,374**
Total	-	-	41,374	**41,374**

11. Post balance sheet event

On 20 December 2022, following the period end, PIP committed USD112.5m to the Pantheon Secondary Opportunity Fund II ("PSOF II"). PIP's commitment to PSOF II, which will be deployed over a three-year investment period, forms part of the Company's existing strategy to capitalise on attractive opportunities in this growing segment of the secondaries market.

Independent Review Report to the Directors of Pantheon International plc

Conclusion

We have been engaged by Pantheon International Plc ('the Company') to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 November 2022 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 11 (together the 'condensed financial statements'). We have read the other information contained in the half-yearly financial report 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 half-yearly financial report for the six months ended 30 November 2022 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 of conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 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 half-yearly financial report 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 of 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 half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, 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

responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion is based on procedures that are less extensive than audit procedures, as described in the Basis of Conclusion section 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 and Ireland) "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
22 February 2023

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

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