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PANTHEON INTERNATIONAL PLC

ANNUAL REPORT FOR THE TWELVE MONTHS ENDED 31 MAY 2024

The full Annual Report and Accounts can be accessed via the Company's website at www.piplc.com or by contacting the Company Secretary by telephone on +44 (0)333 300 1950.

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 Annual Report and Accounts for the twelve months ended 31 May 2024.

A cohesive and holistic strategy that puts shareholders first

- **Focused corporate strategy**
    - Capturing value for shareholders**:** Share buyback programme of £200m was completed just after the financial year end. During the year to 31 May 2024, **£196.7m was invested in share buybacks** which **added +4.7%** to the NAV**.**
    - Announcement of a clear capital allocation policy: With effect from 1 June 2024, a proportion of adjusted net cash flow is allocated to share buybacks on a tiered basis depending on the prevailing discount at which the shares trade at the time. PIP will continue to **invest in exciting new private equity opportunities, capable of generating market-beating returns over the long term**, alongside share buybacks.
    - Stimulating demand for PIP's shares: Commencement of **an enhanced marketing programme** to optimise the relevance and attraction of PIP to both existing and new retail and institutional investors.

- **Effective investment strategy**
    - PIP's underlying portfolio company investments have continued to exhibit above-market growth, with **EBITDA and revenue growth of 17% and 14% respectively during the year.** Over the past five financial years, PIP's portfolio companies have **grown EBITDA and revenue at a rate of 19% and 17% p.a. respectively**. This indicates the **strength and resilience** of these companies and **underpins our confidence in PIP's reported NAV.**
    - Minimising risk: PIP's loss ratio for all investments, realised and unrealised, made over the last 10 years **is low at 2.3%[1]**.

- **Robust financing strategy**
    - Optimising PIP's capital structure: A new **£500m equivalent credit facility,** to replace the previous credit facility and Credit Suisse as a lender, and a **private placement of US$150m of loan notes** were agreed during the period.
    - More diverse and flexible structure: The number of PIP's credit counterparties was increased from three to ten within two separate highly liquid markets.

Performance update
- PIP's share price **increased by 20%** during the period.
- NAV per share **grew by 6.1%** during the full year. Valuation gains across **the entire portfolio** and NAV accretion from share buybacks were partially offset by unfavourable currency movements, given that PIP's portfolio is predominantly USD-denominated. Currency movements tend to balance out over the long term.
- PIP **has a strong long-term track record**. Annualised NAV per share growth over the last 10 years has been 13.5%, **beating** the public market benchmarks over the same period.

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

ANNUALISED PERFORMANCE AS AT 31 MAY 2024

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

NAV per share (stated net of fees)	6.1%	12.5%	12.1%	13.5%	11.9%
Ordinary share price	19.9%	6.2%	7.9%	11.1%	10.9%
FTSE All-Share, Total Return	15.4%	7.9%	6.5%	5.9%	7.6%
MSCI World, Total Return (Sterling)	22.2%	11.2%	13.1%	12.8%	8.6%

[1] Inception in September 1987.

NAV per share vs. market performance

	1 yr	3 yrs	5 yrs	10 yrs	Since inception
Versus FTSE All-Share, Total Return	-9.3%	+4.6%	+5.6%	+7.6%	+4.3%
Versus MSCI World, Total Return (Sterling)	-16.1%	+1.3%	-1.0%	+0.7%	+3.3%

Share price vs. market performance

	1 yr	3 yrs	5 yrs	10 yrs	Since inception
Versus FTSE All-Share, Total Return	+4.5%	-1.7%	+1.4%	+5.2%	+3.3%
Versus MSCI World, Total Return (Sterling)	-2.3%	-5.0%	-5.2%	-1.7%	+2.3%

Portfolio update

- Direct investments account for majority of the portfolio **with 54% of PIP's portfolio invested in co-investments and single-asset secondaries,** which are complemented **by hard-to-access funds.**
- PIP had over 400 full exit events during the year. The weighted average **uplift from these fully realised exits was 20%** and the weighted average uplift since 2012 has been **30%.**
- The average **cost multiple on exit realisations was 3.2 times** during the full year, and that figure since 2012 has been **3.0 times**. The cost multiple on the existing portfolio, as implied by the current NAV, is 1.6 times. These figures point to the significant embedded value in PIP's portfolio.
- PIP's portfolio has remained cash-generative during the period with **net cash inflow from the portfolio of £37m**. PIP has generated **£1.6bn of net cash over the last 10 years**.

Financial position update

- As at 31 May 2024, PIP had **net available cash of £16m** while £83m was drawn down under the **£500m** credit facility and £118m of sterling equivalent loan notes were outstanding.
- Therefore as at 31 May 2024, PIP's net debt to NAV, excluding the Asset Linked Note, was conservative at 8.1%. The Board currently does not expect net leverage to exceed 10% of NAV under normal market conditions.
- As at 31 May 2024, PIP's financing cover was **3.9x** and its undrawn coverage ratio was **comfortable at 89%.**

Commenting on the full year, **John Singer CBE, Chair of PIP**, said: "This has been a highly successful year in progressing our medium-term strategy, integrating corporate and investment activities that put shareholders first. Our objective remains to deliver attractive risk-return over the long term to a wide base of investors, and we believe that our flexible, strategic investment approach and financing structure support this well. Our corporate measures to date clear the path for the next stage of our journey to stimulate demand for PIP's shares - the surest route to dealing with the discount issues. And so we have embarked on a programme to dispel the myths that have surrounded the private equity sector for so long and to increase our marketing efforts to widen PIP's appeal. And we will continue to do this in the spirit of transparency and communication to build on your trust regarding our putting you first."

Commenting on PIP, **Charlotte Morris, Partner at Pantheon and Co-Lead Manager of PIP**, said: "PIP benefits from being an integral part of Pantheon's platform, having access to a broad set of global relationships, deal opportunities and expertise. On behalf of PIP, we are backing top quality managers who are sector specialists, focusing on resilient, non-cyclical sectors that are benefitting from long-term trends such as automation and digitalisation, ageing demographics and sustainability. We believe that these longer-term trends will continue to provide tailwinds to PIP's portfolio companies."

Commenting on the private equity market, **Helen Steers, Partner at Pantheon and Co-Lead Manager of PIP**, said: "One of the fundamental characteristics of the private equity industry is its ability to adapt, evolve and respond flexibly to prevailing market conditions. Private equity managers are patient as well as active investors. We are unable to predict the timing of a resurgent M&A market, but there are very early signs that the tide may be starting to turn, which means that several of PIP's portfolio companies, which are already being prepared for exit, will be ready for sale as the outlook improves."

Videos of John Singer CBE discussing corporate activity during the year and of the Pantheon team discussing PIP's full-year results are available on PIP's website at www.piplc.com.

Capital Markets Afternoon

PIP will host a Capital Markets Afternoon on 12 September 2024 during which there will be presentations from Pantheon and some of PIP's underlying private equity managers. Institutional investors and analysts wishing to attend should contact the Pantheon team at pip.ir@pantheon.com for further details.

LEI: 2138001B3CE5S5PEE928

For more information please contact:

Pantheon
Helen Steers / Charlotte Morris / Vicki Bradley — +44 (0)20 3356 1800
pip.ir@pantheon.com

Investec Bank plc — +44 (0)20 7597 4000
Joint Corporate Broker
Tom Skinner (Corporate Broking)
Lucy Lewis (Corporate Finance)

J.P. Morgan Cazenove +44 (0)203 493 8000
Joint Corporate Broker
William Simmonds (Corporate Finance)

Montfort Communications +44 (0)7738 912267
Gay Collins / Pippa Bailey / PIP@montfort.london
Michael Schutzer-Weissmann

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

ANNUAL GENERAL MEETING

The Company's Annual General Meeting ("AGM") will be held at 10-11 Carlton House Terrace, London, SW1Y 5AH at 10.30 a.m. on Wednesday, 16 October 2024. A separate circular containing the AGM notice will be published and made available on the Company's website and the National Storage Mechanism.

NATIONAL STORAGE MECHANISM

A copy of the Annual Report and Financial Statements and the separate circular containing the AGM notice 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.

This announcement contains inside information.

John Singer CBE

Chair, Pantheon International Plc

Broadwalk House, Southernhay West, Exeter, Devon EX1 1TS

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.

STRATEGIC REPORT

AT A GLANCE

Making the private, public

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

PIP is a FTSE 250 private equity investment trust, actively managed by Pantheon, one of the leading private markets investment managers globally.

PIP is overseen by an independent Board of Directors who come from a range of backgrounds.

As at 31 May 2024	
Net asset value ("NAV")	£2.3bn
NAV per share growth in the year	+6.1%
Annualised NAV per share growth since 1987 (net of fees)	+11.9%
Market capitalisation	£1.5bn
Share price change in the year	+19.9%
Annualised share price return since 1987	+10.9%
Weighted average uplift at exit[1]	+20%
Ten-year loss Ratio[2]	2.3%
Association of Investment Companies ("AIC") ongoing charges[3]	1.31%

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

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

[3] Ongoing charges are calculated based on the AIC definition. Including financing costs, PIP's total ongoing charges would be 1.87%. See the Alternative Performance Measures section in the full Annual Report for calculations and disclosures.

CHAIR'S STATEMENT

Progress built on trust
This has again been a year of great corporate and investment activity for PIP. It has resulted, I am delighted to report, not only in a continuing increase in the value of the underlying portfolio, but an even greater one in our share price, increasing 20% during the period.

I would like to thank my fellow Board members and the PIP Management Team, but even more so, the shareholders and fellow colleagues in the sector for their encouragement and input into our progress.

This year, progress for PIP has been based on three factors. Firstly, Boards in our sector have to go beyond stewardship and administration to greater strategic proactivity to deliver on Net Asset Value (NAV) and share price growth, based on a deep understanding of private equity. We should also proactively aim to increase new demand for quoted private equity from both retail and institutional investors. Secondly, our Board's corporate, investment and leverage strategies have been closely integrated to support each other to deliver investor objectives. And thirdly, now more than ever, our continuing growth and progress must be built on trust - putting shareholder interests' ahead of all others through all cycles. In setting out the year's results below I will focus more on the "why and for whom" rather than just the "what and how" of everything we are doing.

Comprehensive strategy to deliver attractive risk-return to shareholders
When we started our original review of PIP's authenticity, relevance for shareholders and differentiation, it was clear that our governance required an integration of corporate, investment and leverage strategies from the start - even if the timing and implementation of each would be different. This required holistic thinking both at the Board and Management Team levels. Knowing that we are driven by this mindset should provide investors with reassurance of the Board's focus on improving performance over the long term. In this financial year, we have made significant progress in all three areas.

Corporate Strategy
After announcing the three-step corporate programme in my Chair's Statement in August 2023, we have dedicated ourselves to making progress on each of the three steps that I outline here. These steps form the backbone of our corporate strategy.

1 Step One
Following the launch of the share buyback programme last summer, PIP embarked on a £150m[1] reverse tender offer in October 2023, repurchasing 49.2m shares at a strike price of 305.0p per share, which represented a weighted average discount of 35% to the then-prevailing NAV per share. Having completed this part of the share buyback programme successfully, we turned to address the remaining component of the £200m that had been announced and allocated. Over the course of the year to 31 May 2024, PIP bought back 64.3m shares (12.1% of share capital) for a total amount of £196.7m[1], at an average price of 306.0p per share, equivalent to an average 35% discount to NAV, and representing around 8% of opening NAV. In the weeks after the year-end, we kept to our word and completed further buybacks, ensuring that the full £200m allocated to the programme was indeed invested in share repurchases. Overall, the share buybacks during the year resulted in an uplift to year-end NAV per share of 4.7%.

+4.7% NAV uplift from share buybacks during the year

I must reiterate that the purpose of the share buybacks was not primarily to narrow the discount but rather to prepare the groundwork to enhance our chances of success in stimulating demand for our shares by reducing perceived obstacles in the minds of investors. Concerns, for example, such as the overhang of legacy shareholders, or whose interests the Board puts first. We are pleased to report that the completion of the share buyback programme and tender offer have resulted in a refreshed share register for PIP, achieved through new buyers coming onto the register as well as a few large legacy shareholders reducing their holdings through an equitable and democratic process available to all. This also represented an excellent opportunity to invest in our own portfolio, where we know the underlying investments well and have conviction in the NAV, through buying back £200m worth of shares at a large discount.

We hope the success of this process and the reasoning behind it will dispel perceptions that Boards and managers do not put shareholders' interests first.

2 Step Two
With the initial share buyback programme largely completed by 31 May 2024, and two important elements of our leverage strategy in place, we were pleased to announce our new Capital Allocation Policy. When I originally announced the three-step programme, I emphasised the importance of a continuing commitment to share buybacks during periods when the discount of share price to NAV remains high. This allows us to take advantage of embedded value in the portfolio as well as new investment opportunities at all points in the cycle. Buybacks, when discounts widen, offer an opportunity to invest in an existing, high-quality portfolio that we know extremely well, and where we benefit both from embedded value implicit in the discount, and from the eventual uplifts on NAV that we typically experience at exit.

"We refined our Capital Allocation Policy to provide clear guidance on how we will seek to allocate available cash between new investments and share buybacks."

With this objective in mind, we refined our Capital Allocation Policy to provide clear guidance on how we will seek to allocate available cash between new investments and share buybacks. We have deliberately laid out a set of parameters linked to net cash flow, which are to be applied based on the prevailing discount at the end of each financial quarter. This is designed to give shareholders clarity on our approach, with assessments made and the quantum available for buybacks announced at quarterly intervals, effective from 1 June 2024. The policy is clear, easy to understand and measurable using underlying metrics that are already reported to the market. We look forward to implementing this continuing commitment to investing in the most attractive opportunities, including the repurchase of our own shares. The mechanics of this are set out below.

3 Step Three
The overall objective is to build on the momentum created by steps one and two to create more demand for PIP's - and the listed private equity sector's - shares, which should over time narrow the discount between share price and NAV sustainably, in a way in which steps one and two alone could not be expected to achieve. Our mission is to optimise the relevance and attraction of our offering to both existing and new retail and institutional investors, through two-way exchanges of conversation and ideas with investors, brokers, investment bodies, and fellow chairs of other investment trusts, complemented by a more assertive marketing strategy. As a sector, we must come together to address the concerns of shareholders, so that a rerating of our sector can be earned.

Misunderstandings in the sector persist, such as perceptions of inflated valuations, fees and the lack of consistent disclosure. Investors complain of inadequate disclosure in areas of policy like leverage and buybacks, and they are sometimes suspicious of the relationship between Boards, managers and shareholders. Bringing colleagues across the industry together to provide education and tackle these misconceptions would be for the good of the sector overall and should help to remove many of the obstacles that currently dampen demand for listed private equity.

"As a sector, we must come together to address the concerns of shareholders, so that a well-deserved rerating of our sector can take place."

Together with sector-wide initiatives to dispel myths, we plan to increase our PIP marketing effort. I am delighted to report that, since the interim statement, the Marketing Committee embarked on a process to identify and appoint a marketing agency, which was recently completed. Our work over the coming months will focus on clarity of branding, communication and reasons to purchase and hold PIP shares for the long term through increased marketing spend. With our marketing agency, we are increasing the resources and attention dedicated to segmentation analysis. We believe these efforts will result in maintaining existing and attracting new retail and institutional investment.

My deeply held belief is that building on the trust and goodwill that we have created in the market will bring in new investors who, even when educated about the benefits of Private Equity, feel uneasy about entrusting money to what can appear as a complex and opaque industry. It is incumbent on us to explain the "why" at the heart of what we do at PIP and "for whom" we are doing it. Our deep culture and values have been embedded over decades into investing shareholder capital and help us maintain our clear focus on investor interests and ensure they are put first.

The corporate strategy and the associated share buyback programme and Capital Allocation Policy required detailed scenario analysis and thoughtful consideration which is woven into our investment and leverage strategies as set out below.

Investment Strategy
Alongside the share buyback programme and the allocation of capital to invest in our own portfolio, £153m of capital has been deployed this year into attractive new investments globally with a continuing focus on direct investments. These now represent 54% of the portfolio and are growing as we maintain our investment target of around one third of new capital earmarked for co-investments and the same for single asset GP-led secondaries. Over five years ago, we started moving towards more direct exposures, based on the conviction that such a focus enables PIP to shape its portfolio more precisely, as well as bringing PIP closer to the assets and the GPs managing them.

"The tilt towards direct investments in single assets is already bearing fruit, both in terms of returns and our proximity to the GPs."

The tilt towards direct investments in single assets is already bearing fruit, both in terms of returns and our proximity to the GPs. Through the process of selection, monitoring, valuation and advisory board support, we can better align our objectives on topics such as sustainability, value creation methods and timing of exit, with those of the GP and management teams of the assets. Direct investments have the added advantage of carrying lower or no fees.

I continue to highlight the importance of our having a number of Board members with long experience in Private Equity, as well as a highly experienced Private Equity Manager in Pantheon, which gives us what I call "double-filter" Private Equity skills - an additional lens added to that of the GP.

"We believe that investing with GPs who are focused on revenue growth and operating performance is superior to investing in those relying on one-off cost cutting and layering on aggressive debt loads."

Importantly, we can use this double filter to reduce risky reliance on the components of value creation that cannot be controlled, such as multiple arbitrage and reliance on rising markets to boost returns; and aggressive use of leverage that was a low-cost way to augment returns between the Global Financial Crisis and the start of interest rates rising two years ago. During that period of cheap debt and rising valuations, many GPs were able to generate returns by virtue of market conditions but in a risky and unsustainable way. To invest consistently over market cycles and generate returns whatever the macro environment, we believe that investing with GPs who are focused on revenue growth and operating performance is superior to investing in those relying on one-off cost cutting and layering on aggressive debt loads. The result of this can be seen in the +17% of EBITDA growth within the underlying portfolio companies over the period. Even in this difficult year for trading it was in line with +19% of such earnings growth over the last five years.

Thinking in line with Pantheon's quality GPs and working closely with them helps us spot trends and capitalise on them swiftly.

+17% Weighted average EBITDA growth for the buyout portfolio[2]

This is especially the case in our expansion in the dynamic GP-led secondaries space, where we continue to be able to identify opportunities alongside our GPs to invest in top-performing businesses.

Another important differentiator PIP offers retail and institutional portfolios is a truly global exposure that is underpinned by our ability to use global and local teams to offer risk-monitored diversification across sectors, geographies and currencies. PIP's portfolio is invested in the deepest and most experienced private equity markets in the world, with 54% in the USA, 31% in Europe, 8% in global assets and 7% in Asia.

Sustainability, focusing in particular on ESG considerations, is a component of Pantheon's investment process and provides a further lens for risk management, value creation and due diligence.

As a reminder, PIP invests directly into the investment opportunities presented by Pantheon, and is therefore able to control its portfolio construction and investment deployment flexibly and proactively. The process of origination, due diligence, execution and monitoring of investments which is managed by Pantheon - and overseen by our Board - reflects a strong culture and set of values that is encompassed in our Manager's philosophy and processes and mirrored in PIP's Board.

Fundamental to the culture is transparency and a genuine commitment to listening to and understanding shareholder interests and needs. Pantheon was founded on principles of trust and putting the long-term interests of investors first and, over its more than 40 years of operations, throughout cycles, has demonstrated its ability to make the relevant changes to maintain this behaviour. The sharing of objectives is exemplified by the alignment created by the PIP holdings of the Directors and Pantheon Partners that represent a total shareholding of 5.3m (3.8m collectively owned by the Board Directors and a further 1.5m shares held by 14 Partners of Pantheon, representing a combined value of £17.2m as at 31 July 2024).

Leverage Strategy
The last component of PIP's holistic and integrated strategy is our approach to leverage. In order to achieve our aims of delivering attractive risk-return to shareholders, we take a prudent approach to leverage and seek a sensible risk balance.

As I reported in my interim statement, we achieved two important milestones during the year, culminating in a process that had begun in the first half of 2023: the refinancing of PIP's revolving credit facility and a private placement of long-dated loan notes - a type of financing that had not previously been used in the sector. The incorporation of prudent use of debt marked a shift away from a net cash position, with a key benefit to shareholders being the reduction in idle cash on the balance sheet and associated cash drag on NAV performance.

In October 2023, PIP refinanced its £500m equivalent revolving credit facility, securing a more favourable covenant package and a margin increase of 46 basis points, despite the significant change in the lending environment. Following that, on 12 January 2024, PIP completed a private placement of $150m (£118m equivalent) of loan notes, which were three times oversubscribed and purchased by five sophisticated North American institutional investors with considerable in-house knowledge of the private equity asset class. Overall, there was no change in PIP's overall leverage immediately after the private placement, as those proceeds were used to part-repay the RCF.

Through these two actions, we have secured a diversity of lending mix, which not only strengthened PIP's balance sheet but also provides wider geographic and financial sector sourcing with carefully selected players for today's markets. A further benefit was increasing the number of credit counterparties from three to 10 within two separate highly liquid markets. Consequently, PIP is now much better placed to replace any particular credit counterparty that faces a similar situation to Credit Suisse in the future.

After taking these two significant actions, we have been transparent in disclosing in great detail PIP's gearing policy, the first in the sector to do so. Openness and transparency are major elements of PIP's and Pantheon's values and culture. We believe in setting targets for leverage which we respect, and honouring investor expectations.

These changes to PIP's capital structure better support the integrated investment and corporate strategies during a time of robust, high-quality deal flow while share price discounts, though reduced, remain wide. Our more flexible capital structure is managed with thorough and well-defined processes with a view to ensuring prudence. In that context, we aim to improve performance, beat the MSCI World index over the medium to long term and provide alternative safe options for new growth through the cycles.

Performance
Against a challenging macroeconomic backdrop and a period of scepticism about private market valuations, I am pleased to report the strong performance that PIP delivered over the year thanks to its robust, balanced and high quality underlying portfolio. In a market experiencing continuing lower exit and distribution levels than historically, and an increase sector-wide in portfolio company holding periods to six years, maintaining earnings growth in those companies becomes an even more critical differentiator. I am happy to report that our portfolio companies have performed well again this year, with revenue and EBITDA growth CAGRs of 14% (in line with the MSCI) and 17% (higher than the MSCI at 13%) respectively.

These data points are based on all available information at the company level and not on a selected group of investments. In contrast to public companies and investment trusts that invest in listed equities, Private Equity GPs can do much more operationally with their portfolio companies. Through investment into additional resources such as portfolio support groups, Operating Partners providing functional expertise and deal teams that work hand in hand with the company management, GPs are able to drive superior EBITDA growth.

2.3% Loss ratio over the last ten years

Moreover, PIP's strategy of working in partnership with these GPs and getting closer to the assets allows us to target investment opportunities with the most attractive financial profiles and to influence the growth we see in the portfolio. Contrary to some perceptions that private equity investments are necessarily risky, our strategies result in a strong performance at a lower level of risk demonstrated by a loss ratio of only 2.3% over ten years.

The annualised performance of NAV per share over three-, five- and 10-year periods was 12.5%, 12.1% and 13.5% respectively, and 11.9% since inception, which reflect the consistent long-term value appreciation that shareholders trust us to deliver. Over the year to 31 May 2024, NAV per share grew +6.1%.

+6.1% NAV per share growth, over the year to 31 May 2024

The drivers of that performance were: the valuation gains from the underlying portfolio (+5.0%); and the impact of the share buybacks (+4.7%), which were then offset by the effects of currency and expenses. Over recent years, some commentators have claimed that the NAVs quoted by GPs for their portfolio companies are inflated and haven't reflected the movements in public markets.

In fact, PIP experienced a small contraction in multiples used for EV/EBITDA valuation of over a turn to 17.3x, while the equivalent metric for the MSCI increased more than half a turn to 20.1x. This trend was also observed in net debt / EBITDA multiples, which fell since the interim report to 4.8x for small/mid-market buyout and 5.2x for large/mega buyout. Small/mid-market buyouts are a part of the buyout landscape that is core to PIP's strategy (representing 46% of the portfolio) for good reason.

This segment of the market generally employs lower leverage, which has served to limit the impact of high interest rates, which ultimately protects margins. these factors, combined with our robust valuation processes (summarised in the full Annual Report) should reassure shareholders of the enhanced value being created for them.

Ultimately, the true endorsement of the value of a company is the exit price achieved on sale. Over the year to 31 May 2024, PIP experienced a 20% average uplift at exit. The distribution case studies in the full Annual Report provide some examples of the value creation that our GPs have been able to generate and the uplift at exit that reflected the transformation of those companies, even in a challenging year. Overall, when considering the long term performance of PIP, I believe that we are delivering on our goal to generate consistent returns over the long term. Over various periods (and indeed since inception), PIP continues to generate outperformance relative to public market benchmarks as well as on an absolute basis. While the share price discount to NAV remains at 34%, I am pleased with the 20% growth in share price over the year to 31 May 2024 and am excited to continue our work on step three, bringing colleagues in the sector together to increase demand for quoted private equity with a view to narrowing the discount over time.

+20% Average uplift on exit realisations[3]

Governance
Underpinning all we do as a Board is the basic tenet of putting shareholders first and building on the trust that has been invested in us. While some Boards may rely on their managers, PIP's Board works with them as a team, always respecting the red line and seeking to ensure the highest standards of governance for the benefit of all stakeholders.

I am proud of this relationship and the working practices that we follow with the Pantheon team. The solid Private Equity experience within the Board leads to greater credibility and ease of working with the Executive Team in governance terms, as does the marketing and PR experience of Directors. Moreover, PIP benefits not only from the collaborative working with the Management Team directly, but also from access to the banking, marketing, risk and support services teams at Pantheon.

In summary, the depth of the Board's experience, and its style of working with the Management Team, allow for a much more informed debate and challenge on investment, corporate and leverage strategies. We are fully involved in all three and not just a rubber stamp on Manager recommendations. One example of the increasing oversight and governance is the presence of the Audit Chair designate, Zoe Clements, at the Pantheon Valuation Committees, as well as the semi-annual provision of a formal report from the Valuation Committee to the Board.

As I reported in my Interim Statement, we have welcomed two new Directors to the Board, both of whom were elected at the AGM last October. Zoe Clements and Rahul Welde bring extensive experience and skills to the Board and Committees with Rahul joining the Marketing Committee and Zoe the Finance Committee. As we prepare with sadness and much gratitude to bid farewell to David Melvin at the next AGM, with Zoe succeeding David in his role as Audit Chair, we are appointing a search agency to identify additional Non-Executive Directors and I look forward to updating you on our search.

After a year that was extremely busy for PIP with a multitude of corporate actions completed, while still attending to the day-to-day operations, I would like to thank my fellow Board members and the Pantheon Management Team for their work, including Jie Gong for her input while she was working with PIP. I would also like to take this opportunity to welcome Charlotte Morris to the PIP team, who joins Helen Steers as Co-Lead Manager.

Our work on steps one and two was widely applauded by shareholders and analysts. Indeed, the feedback I received directly from shareholders in my series of investor meetings was a pleasing endorsement of our emphasis on the "why" and "for whom" elements of what we do. We were delighted that the Board's strong governance and leadership, listening to shareholders and prioritising their needs, was recognised by the award of "Board of the Year" at the Citywire awards.

For whom are we making this journey?
For all our stakeholders, most certainly! But also with an eye to attracting more new shareholders - both retail and institutional - to join those who became PIP shareholders for the first time during the buy back process.

For existing and new we will be relying on our integrated strategies set out above, and our prudent investment pacing to ensure liquidity in a market environment experiencing lower exit and distribution levels than historically. And our nimbleness to modify investment strategy for PIP, will allow us to continue to grow as a favoured route to long-term capital gains, despite events such as the GFC in 2008 or the more recent post-Covid challenging macroeconomic backdrop.

"A decades-long and solid track record of generating returns, overseen by an independent and highly experienced Board, and managed by Pantheon."

It is the high returns/low risk results, decade by decade, that convinced me and my colleagues at PIP to pursue the democratisation of PE. Individuals, as well as institutions, should own this high performing asset class as an element of their portfolios, enhanced by the liquidity offered by the quoted investment trust vehicle, created and developed in the UK. It is very encouraging to see that Defined Contribution pension providers are increasingly keen now to include private markets asset classes in their offerings, recognising the fact that PE provides outperformance, access to a broader investment set, and diversification. Outperformance achieved at low levels of risk - contrary to misunderstandings about the industry. Our portfolio demonstrates this with a loss ratio of only 2.3% over 10 years - a figure which includes not only realised losses but also often temporarily impaired valuations which can be reversed at exit.

We will, therefore, continue to apply the three factors of strategic proactivity, integrated strategies and further building on trust to provide PE exposure for any investor (institutional or retail, small or large), including those who do not have the size, access, management resources or desire to build a direct portfolio of PE investments. Each share of PIP provides an investment in a globally diversified, low-risk PE portfolio that would take them many years and significant financial resources to develop, with a decades-long and solid track record of generating returns, overseen by an independent and highly experienced Board, and managed by Pantheon.

We will continue the journey described here in line with the principles that have provided us with a very successful year in terms of making progress in 2024 on our overall strategic objectives, and very much hope to have you with us on this exciting journey.

PIP's Strategic Report has been approved by the Board and should be read in its entirety by shareholders.

JOHN SINGER CBE
Chair
31 July 2024

[1] Excluding costs and stamp duty.

[2] The sample buyout figures for the 12 months to 31 December 2023 were calculated using all the information available to the Company. The figures are based on unaudited data. MSCI data was sourced from Bloomberg. See the Alternative Performance Measures section in the full Annual Report for sample calculations and disclosures.

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

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 46.5%	Total shareholder return constitutes the return to investors, after taking into account share price movements (capital growth) and any share buybacks paid during the period. The Board's strategy is to deliver returns for shareholders through the growth in NAV and not through the payment of dividends.	31 May 2022 64.8% 31 May 2023 31.0% 31 May 2024 46.5%	• PIP's ordinary shares had a closing price of 326.0p at the year end (31 May 2023: 272.0p). This was a 20% increase compared to the prior year. • Narrowing of share price discount following the implementation of PIP's £200m share buyback programme during the financial year. • Share price discounts to NAV have remained wide in the listed private equity sector. Despite the improvement in PIP's share price during the period, the discount on PIP's shares was 34% at the year end (31 May 2023: 41%). The median discount for listed private equity peers[1] at the same date was 34% (31 May 2023: 39%).	• 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[2] 6.1%	NAV per share reflects the attributable value of a shareholder's holding in PIP. The provision of consistent long-term NAV per share growth is central to our strategy. NAV per share growth in any period is shown net of foreign exchange movements and all costs	31 May 2022 31.0% 31 May 2023 2.4% 31 May 2024 6.1%	• NAV per share increased by 28.1p during the period to 490.5p (31 May 2023: 462.4p). This was an increase of 6.1% compared with the prior financial year end. • NAV per share growth was primarily driven by valuation gains of +5.0% and share buybacks of +4.7% and offset by foreign exchange movements and	• Investing in high performing private companies alongside and through top-tier private equity managers globally, to maximise long-term capital growth. • Containing costs and risks by constructing a well-diversified portfolio in a cost-efficient manner.	• Valuations provided by the underlying private equity managers. • Fluctuations in currency exchange rates. • Tax efficiency of investments. • Effect of financing (cash drag) on performance. • Ongoing charges relative to NAV growth and listed private equity peer group.

	associated with running the Company. The NAV is robustly calculated and the balance sheet is audited by PIP's auditors.		expenses and taxes.		
Portfolio investment return 4.9%	Portfolio investment return measures the total movement in the valuation of the underlying companies and funds comprising PIP's portfolio, expressed as a percentage of the opening portfolio value, before taking foreign exchange effects and other expenses into account.	31 May 2022 26.2% 31 May 2023 3.5% 31 May 2024 4.9%	• Modest increase in underlying portfolio valuation against a backdrop of market volatility. • PIP's portfolio is actively managed and focuses on resilient, high-growth sectors. • PIP's portfolio return for the year was mainly driven by the buyout segment, which accounts for 72% of the portfolio.	• Maximise shareholder returns through long term capital growth.	• Performance relative to listed markets and listed private equity peer group. • Valuations provided by the underlying private equity managers.
Liquidity					
Net portfolio cash flow[2] £36.9m	Net portfolio cash flow is equal to fund distributions less capital calls to finance investments, and reflects the Company's capacity to finance calls from existing investment commitments. PIP manages its maturity profile through a mix of primaries, secondaries and co-investments to ensure that its portfolio remains cash-generative at the same time as maximising the potential for growth.	31 May 2022 £232m 31 May 2023 £68m 31 May 2024 £37M	• PIP's portfolio generated £193m (31 May 2023: £223m) of distributions versus £156m of calls (31 May 2023: £155m). • In addition, the Company made new commitments of £153m (31 May 2023: £441m) during the year, £50m of which was drawn at the time of purchase (31 May 2023: £190m). • As at 31 May 2024, PIP's portfolio had a weighted average age of 5.2 years[3] (31 May 2023: 4.8 years).	• Maximise long-term capital growth through ongoing portfolio renewal while controlling financing risk.	• Relationship between outstanding commitments and NAV. • Portfolio maturity and distribution rates by vintage. • Commitment rate to new investment opportunities.
Underdrawn coverage ratio[4] 89%	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.	31 May 2022 108% 31 May 2023 98% 31 May 2024 89%	• The current undrawn coverage ratio reflects lower cash balances and modest usage of PIP's credit facility. • The optimisation of PIP's balance sheet will enable the Company to further enhance its performance, by allowing PIP to lean into attractive opportunities across market cycles and by reducing cash drag. • PIP's undrawn coverage ratio remains healthy relative to what is required under existing loan covenants.	• Flexibility in portfolio construction, allowing the Company to select a mix of manager-led secondaries, co-investments and primaries, and vary investment pace, to achieve long-term capital growth. • The vintage diversification of unfunded commitments helps PIP manage future capital calls.	• Relative weighting of primary, secondary and co-investments in the portfolio. • Level of undrawn commitments relative to gross assets. • Trend in distribution rates. • Ability to access debt markets on favourable terms.

Gearing[5] (8.1%)	Gearing relates to how much debt is utilised in PIP's capital structure and is expressed as net debt (borrowings excluding the ALN less cash) as a percentage of NAV. The Board appreciates that the measured use of debt can eliminate cash drag and enhance investment returns. PIP's approach to gearing remains conservative. The Board does not currently expect net leverage to exceed 10% of NAV under normal market conditions.	31 May 2022 9.4% 31 May 2023 2.6% 31 May 2024 (8.1%)	• PIP's net debt as a percentage of the Company's NAV as at 31 May 2024 was 8.1% (31 May 2023: net cash to NAV ratio was 2.6%). • As at 31 May 2024, PIP has utilised £83m of its £500m revolving credit facility, and has £118m of private placement loan notes outstanding. • PIP's net debt to NAV ratio is lower than the relevant peer group of 11%[1].	• Measured use of leverage to reduce cash drag and enhance NAV growth. • Adopt a more efficient use of balance sheet capital to reduce cash drag.	• Utilisation level of the revolving credit facility. • Anticipated distribution levels and impact on liquidity position. • Leverage relative to listed private equity peer group.

1 Relevant peer group comprised: CT Private Equity Trust PLC, HarbourVest Global Private Equity Ltd, ICG Enterprise Trust PLC and Patria Private Equity Trust. Data as at 31 May 2024.

2 Excludes valuation gains and/or cash flows associated with the ALN.

3 Excludes the portion of the reference portfolio attributable to the ALN.

4 Outstanding commitments relating to funds outside their investment period (>13 years old) amounting to £41.7m as at 31 May 2024 (31 May 2023: £48.2m) were excluded from the calculation as there is a low likelihood of these being drawn.

5 Net cash (debt) to net asset value.

OUR STRATEGY

A cohesive and holistic strategy to address shareholders' needs
The Board regularly reviews PIP's overall corporate strategy and this has formed a key part of Board discussions throughout the year.

The Board and PIP's Manager, Pantheon, are in constant dialogue regarding PIP's overall strategy and the Company's progress towards achieving its strategic goals. This dialogue is informed by the Manager's assessment of any changes in market conditions, for example in the M&A environment, and through stakeholder engagement, including with shareholders and peers in the market.

PIP's strategy encompasses its corporate, investment and financing strategy. The Company's three-step corporate programme has already been outlined in the Chair's Statement above, and the Capital Allocation Policy (step 2) is highlighted in more detail below.

The Company's investment strategy is recommended to the Board by the Manager, discussed at length and then amended as necessary. A similar process is followed regarding PIP's financing strategy, which supports the Company's corporate actions and investment programme.

While the Company's agreed investment strategy, which is described in detail below, sets the overall parameters of the investment programme, for example the tilt towards direct investments, small/mid buyouts and certain sectors, the Board will review individual investments that exceed exposure limits, which are set at appropriate level to reflect a diversified approach. At times, the Manager may make recommendations to the Board and seek approval for certain investments that fall outside of any limits expressed in the agreed strategic approach, but which Pantheon believes to be a good investment opportunity for PIP. The Board maintains its independence at all times and robustly challenges such recommendations to ensure that they are in the best interests of shareholders.

The Manager also reports regularly to the Board on PIP's marketing and investor relations activities, considering new initiatives that could help to increase PIP's profile, and to reach new potential shareholders of the Company. Subsequent to the end of the financial year, a marketing agency was appointed to assist PIP with this objective.

Culture and Purpose
It is a requirement for all companies to set out their culture and purpose. The Company's defined purpose is relatively simple: it is to deliver our investment strategy led by a Board that promotes strong governance and a long-term investment approach that actively considers the interests of all stakeholders.

The Directors agree that establishing and maintaining a healthy corporate culture within the Board and in its interactions with the Manager, shareholders and other stakeholders will support the delivery of its purpose, values and strategy. The Board seeks to promote a culture of openness and integrity through ongoing dialogue and engagement with its service providers, principally the Manager.

Capital allocation policy

Capturing value for shareholders.
PIP's Capital Allocation Policy ("CAP") has been designed to capture on behalf of shareholders the exceptional value available by investing in the Company's own portfolio when its shares are trading at a significant discount to NAV.

From 1 June 2024, depending on the prevailing level of discount, the Board intends to allocate a portion of Adjusted Net Portfolio Cash Flow ("aNPC") to share repurchases.

The PIP Board remains committed to putting shareholders' interests first and therefore intends to preserve flexibility in its ability to carry out share repurchases. The CAP will be reviewed on a regular basis by the Board to ensure that it remains appropriate for the Company and with consideration of the prevailing market conditions.

The Capital Allocation Policy complements PIP's investment objective which is to maximise returns for shareholders over the long term by investing in high-growth private companies backed by many of the best private equity managers in the world.

Since PIP primarily invests directly into the deals sourced for it by Pantheon, and with a majority of its underlying portfolio invested directly into companies rather than funds, the Company is able to substantially control deployment to its advantage, manage liquidity, and actively shape its portfolio through what it deems to be the best use of capital at any given time.

PIP will continue to invest in exciting new private equity opportunities, capable of generating market-beating returns over the long term, alongside share buybacks.

Investment type
Focus on direct investments to boost performance.
The Board believes that its oversight of the Manager's activities, while at the same time allowing Pantheon the flexibility that it needs to make the appropriate investment decisions on the Company's behalf, ensures that PIP is able to deliver on its strategic objectives for shareholders over the long term.

Primaries, manager-led secondaries and co-investments all have attractive characteristics, as highlighted in the Investment Model section below. PIP's transparent and direct investment approach gives it the flexibility to take advantage of prevailing market conditions and to maximise control over the Company's financing risk, including its ability to generate positive cash flows.

As the weighting towards co-investments has been increased over time, the three different investment types have intentionally taken on more equal weightings. These weightings do not represent hard caps; however, the Board and the Manager believe that this is the optimal mix to benefit from the cash generated by the more mature assets in PIP's portfolio while rejuvenating the portfolio with the younger vintages offered by primaries and co-investments. In addition, we have been steering PIP's secondary investment strategy towards manager-led secondaries which form a fast-growing part of the secondary market and are attractive for several reasons as highlighted below. These investments also provide younger vintages to the portfolio.

With an increased weighting towards co-investments and manager-led secondaries, we expect the number of underlying managers and portfolio companies to which the Company is exposed to continue to reduce over time. As a result, the potential for the Company's overall NAV to be driven by the performance of individual assets should be increased while maintaining the benefits of a portfolio that is well diversified by type, stage, geography and sector.

The Board believes that there are several benefits to this investment approach: risk is effectively managed through diversification while the improved transparency of PIP's underlying portfolio and increased investment flexibility, should create a clearer link between the strongest performing companies in the portfolio and the potential to boost NAV growth in the future. Also, Pantheon can remain highly selective and disciplined when assessing deal flow, while at the same time reducing the risk of PIP being excluded from exciting opportunities due to investment constraints.

Investment type[1]

Primaries	35%	
Co-investments	34%	54% invested directly in companies
Manager-led secondaries	20%	
Fund Secondaries	11%	

[1] Fund investment type is based upon underlying fund valuations and accounts for 100% of PIP's overall portfolio value. The data excludes the portion of the reference portfolio attributable to the ALN.

Investment stage
Focus on mid-market and growth.

PIP's portfolio is diversified by stage. While the Company's strategy is to maintain a healthy mix of all stages, Pantheon and PIP favour the buyout segments, with a particular focus on the small and mid-market. The small/mid-market buyout segment offers distinct characteristics, when compared with large deals, such as:

- More attractively priced assets which tend to have lower levels of leverage than the broader market average;
- Greater visibility of the value drivers and the levers to pull to improve operational efficiency to better drive growth, both organically and through buy-and-build strategies; and
- More routes to exit including strategic acquisitions, sales to other private equity managers or IPOs. In PIP's case, it should be noted that the majority of exits have consistently been to strategic buyers and other private equity managers, with IPOs accounting for a smaller proportion of exits during the year ended 31 May 2024.

Venture accounts for a very small proportion of PIP's portfolio and any investment activity by PIP in early stage venture funds is focused on investing with top-tier venture managers, mainly through primary fund investments, who are able to identify innovative opportunities with the potential to generate significant outperformance.

While special situations include assets with unique characteristics which can offer potential for outperformance, it is the Board's intention that special situations investments will only be a small minority of the overall portfolio.

Investment Stage[1]	
Small/mid buyout	46%
Large/mega buyout	26%
Growth	19%
Special situations[2]	5%
Venture	4%

[1] Stage data is based upon underlying fund valuations and accounts for 100% of PIP's overall portfolio value. The data excludes the portion of the reference portfolio attributable to the ALN.

[2] Special situations investments can include distressed debt, mezzanine, energy/utilities and turnarounds.

Sector and geographic exposure
Global with a focus on high-growth and niche areas.

The Board is committed to offering investors a global portfolio with investments in North America, Europe and Asia. The weightings of those geographies may change in response to market conditions but the Board supports the majority of the Company's capital being invested in the USA and Europe where the private equity markets are well established.

The Board relies on Pantheon's investment teams located around the world that can take advantage of proprietary information flows and access to opportunities through their extensive networks of relationships.

It is Pantheon's objective to identify managers globally that are able to take a thematic approach and focus on high-growth sectors, many of which may not be fully represented by the public markets. In addition, Pantheon has a deliberate strategy of targeting sectors experiencing dislocation, as well as niches where underlying growth is less correlated to GDP growth and they are benefiting from long-term trends. As a result, the largest two sectors in PIP's portfolio are information technology and healthcare. For more information on the sectors in which PIP has invested, see the Portfolio section below.

Region[1]	
USA	54%
Europe	31%
Global	8%
Asia	7%

Company sectors[2]	
Information Technology	33%
Healthcare	20%
Consumer	14%
Industrials	11%
Financials	10%
Communication services	7%
Energy	3%
Materials	2%
Others	1%

[1] Region is based upon underlying fund valuations and accounts for 100% of PIP's overall portfolio value. The data excludes the portion of the reference portfolio attributable to the ALN.

[2] The company sector table is based upon underlying company valuations as at 31 March 2024, adjusted for calls and distributions to 31 May 2024. These account for 100% of PIP's overall portfolio value.

Financing Strategy
Flexible and diverse financing structure

Diversified sources of financing
PIP has built a long-term, sustainable, more flexible, and diverse capital structure, further strengthening the Company's balance sheet.

In October 2023, PIP agreed a new £500m equivalent multi-tranche, multi-currency revolving credit facility agreement (the "Credit Facility"), which replaced the previous £500m equivalent credit facility and Credit Suisse AG London Branch as a lender.

In addition, PIP completed a private placement of $150m of loan notes ("Loan Notes") in January 2024. Proceeds from the issuance of the Loan Notes were used to partially repay and convert Credit Facility drawings into longer term funding at a blended coupon that is lower than the all-in interest cost payable on the Credit Facility.

When considered alongside the existing Credit Facility, the issuance of the Loan Notes means that PIP now has access to an even more diverse supply of liquidity from high quality counterparties.

The Credit Facility and the Loan Notes are subject to market standard loan to value and liquidity covenants. PIP's covenant package was structured to better support the Company's long-term investment and capital allocation strategies.

Modest use of gearing
As per its Investment Policy, PIP 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.

The Board currently does not expect net leverage to exceed 10% of NAV under normal market conditions.

OUR BUSINESS MODEL

What sets us apart

Proven track record and focus on risk management
For over 37 years, PIP has been able to adapt quickly and effectively to changing market conditions. This flexible and proactive approach means that PIP is well placed to continue to deliver on its long-term strategic objectives. PIP's NAV has outperformed its public market benchmark indices over multiple periods and since the Company's inception in 1987.

We pay close attention to the management of risk. PIP provides a carefully constructed and appropriately diversified portfolio for investors with a particular emphasis on well-established companies in the buyout stage. This is supported by a prudently managed balance sheet which has the strength to continue to meet its outstanding commitments, even in more difficult economic times. See below for more information on the balance sheet.

A global portfolio
Just over half of PIP's portfolio is invested in the USA, which is the deepest, most developed private equity market in the world and is often inaccessible to many investors in other regions. The next largest proportion of the portfolio is invested in Europe, with an emphasis on Northern Europe, while the remaining exposure is to faster-growing economies such as Asia.

The presence of Pantheon's teams in its 13 locations around the world means that they are on the ground locally, working with their extensive networks of relationships with private equity managers and taking advantage of proprietary information flows and access to opportunities. These relationships enable Pantheon to source and respond quickly to the best deal flow in those regions. In addition, through its participation on over 642[1] advisory boards globally, Pantheon actively engages with its private equity managers on portfolio monitoring issues on a continuous basis.

Culture & Diversity
Pantheon has a strong culture of openness and inclusive teamwork and encourages the exchange of ideas. PIP is supported by 457 people around the world including a large team of 126 investment professionals[2]. PIP also benefits from a dedicated and experienced team that looks after it on a day-to-day basis. In keeping with its collaborative culture, Pantheon avoids investments in private equity managers with "star" individuals which would give rise to a higher degree of key person risk.

From day one, Pantheon has understood that a diverse workforce creates a more productive environment. Each year, Pantheon publishes statistics documenting its global staff breakdowns according to gender identity, ethnic diversity, LGBTQ+ and disability profiles. The firm has consistently exceeded industry averages for gender diversity. Pantheon also supports a number of inclusion and diversity initiatives and organisations around the world.

[1] As at 31 March 2024.
[2] As at 30 June 2024

PIP aims to deliver consistent returns over the long term.

Our investment process
1. Investment opportunities in companies and complementary funds are originated via Pantheon's extensive and well-established platform.
2. We invest in many of the best private equity managers who are able to identify and create value in their portfolio companies.
3. Cash generated from the sale of those companies is returned to PIP and redeployed into new investment opportunities, including share buybacks in accordance with the capital allocation policy.

What we do
PIP invests directly in private companies worldwide through co-investments alongside selected private equity managers and through manager-led opportunities, as well as in complementary private equity funds.

- An investment in PIP offers shareholders exposure to a growing private market that is expected to exceed US$8.5tn by 2028[1], where the best private equity opportunities might otherwise be inaccessible to most investors.

We aim to deliver attractive and consistent returns to shareholders over the long term, and at relatively low risk. The Board remains committed to its policy of maximising capital growth and therefore, as in previous years, is not proposing the payment of a dividend.

Why we do it
Through Pantheon, we have an opportunity to invest with and alongside many of the best private equity managers globally based on the trust and experience built up over the 40 years that Pantheon has been making investments.

- It is our aim to bring the attractive credentials of private equity and its track record of outperforming public markets to a wider set of investors.

It is our mission to generate sustainably high investment returns through an actively managed, institutional grade portfolio of private companies and funds built by investing with the best managers globally.

How we do it
PIP's Manager, Pantheon, has a well-established platform built on three strategic pillars of investment: primary, secondary and co-investments, with each offering their own merits.

We believe that by combining the three ways of accessing private equity investments, we are able to:

- Build and maintain a well-balanced portfolio in a combination that we monitor and manage with the aim of maximising capital growth;
- Manage the maturity profile of our assets so that PIP's portfolio remains naturally cash-generative on a sustainable basis; and
- Ensure that the vehicle remains as cost-effective as possible for our shareholders by reducing any potential drag on returns.

[1] Source: Preqin Global Report Private Equity 2024.

We have full control over portfolio construction
PIP has the opportunity to participate in all of the private equity investments sourced for it by Pantheon.

This means that:
- We have control of investment strategy, overseen by the fully independent Board
- We have the flexibility to tilt the portfolio towards where we see the best fit for our long-term objectives.
- We can accept or decline deals without being "tied in" to other Pantheon fund strategies.
- We can control PIP's investment pacing according to its financial resources at the time.
- We have the flexibility to vary the size of its commitments as appropriate and in line with any adjustments to its investment strategy.
- We avoid the additional costs that can occur when investing via intermediate vehicles.

Our investment strategies:

Direct company investments: 54% of PIP's portfolio*

Co-investments
We invest in a company directly, alongside a private equity manager.
- Direct investment in individual companies, which have attractive growth characteristics and have effectively passed through a "double quality filter", alongside PIP's leading private equity managers.
- This boosts the performance potential because of asset selection, and there are typically very low or no fees, making it a cost-effective way of capitalising on the high value added by PIP's selected managers.
- Co-investments are through invitation only and are therefore not accessible to most investors.

Manager - led Secondaries
We invest in a company directly, alongside a private equity manager, that the manager has already owned for a period of time and therefore knows well.
- We partner with high-quality private equity managers to acquire, as single transactions, their most attractive portfolio companies via a continuation fund.
- Allows the private equity manager to hold onto a prized asset, which they believe has potential for further growth, when the fund in which it is held comes to the end of its life.

Funds: 46% of PIP's portfolio*

Primaries
We invest in a new private equity fund when it is established.
- Captures exposure to top-tier, well-recognised managers as well as to smaller niche funds that are generally hard to access.
- Targets leading managers predominantly in the USA and Europe, with a focus on funds which are unlikely to become available in the secondary market.

Fund Secondaries
We purchase the interests of an investor in a fund or funds typically late into, or after, the investment period.

- Targets favoured companies and funds at a stage when the underlying assets' performance is visible and the funds are realising investments, returning cash to PIP more quickly.
- One of the advantages of investing in secondaries is that earlier fees will have been borne by the seller so total expenses are lower.

* As at 31 May 2024

INVESTMENT POLICY

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

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

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

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

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

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

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

- No holding in a company will represent more than 15% by value of the Company's investments at the time of investment (in accordance with the requirement for approval as an investment trust which applied to the Company in relation to its accounting periods ended on and before 30 June 2012).
- The aggregate of all the amounts invested by the Company (including commitments to or in respect of) in funds managed by a single management group may not, in consequence of any such investment being made, form more than 20% of the aggregate of the most recently determined gross asset value of the Company and the Company's aggregate outstanding commitments in respect of investments at the time such investment is made.
- The Company will invest no more than 15% of its total assets in other UK-listed closed-ended investment funds (including UK-listed investment trusts).

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

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

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

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

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

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

During the period PIP agreed a new £500m equivalent multi-currency revolving credit facility ("Credit Facility") provided by five relationship lenders, replacing the previous credit facility and Credit Suisse as a lender. In addition, PIP secured a private placement of US$150m of loan notes ("Loan Notes"), structured over different maturities of five, seven and 10 years. The transaction provides PIP with access to long-term funding at a blended US dollar coupon of 6.49%, which is cheaper than the all-in interest cost currently payable on the revolving credit facility.

As a result of these actions, PIP has successfully diversified its financing counterparties, expanded its sources of liquidity and reduced refinancing risk. New investments, calls on undrawn commitments and share buybacks will be funded primarily by distributions and, where appropriate, short-term drawdowns from the Credit Facility.

Minimal gearing level
As at 31 May 2024, PIP had £83m drawn down under the Credit Facility and £118m of sterling-equivalent Loan Notes outstanding. Taken in conjunction with PIP's net available cash of £16m, this results in a conservative net debt[1] to NAV ratio of 8.1%. The Board currently does not expect net leverage to exceed 10% of NAV under normal market conditions.

Undrawn commitments by vintage[2]
PIP's undrawn commitments were £789m as at 31 May 2024 (31 May 2023: £857m). Of the £789m undrawn commitments as at the period end, £42m relate to funds that are more than 13 years old, and therefore outside their investment periods. Generally, when a fund is past its investment period, it cannot make any new investments and only draws capital to fund follow-on investments or to pay expenses. As a result, the rate of capital calls by these funds tends to slow dramatically.

2023 and later	33%
2022	26%
2021	14%
2020	3%
2019	4%
2018	4%
2017	3%
2016	2%
2015	3%
2014 and earlier	8%

[1] Net debt calculated as borrowings (excluding the outstanding balance of the ALN) less net available cash. The ALN is not considered in the calculation of gross borrowings or the loan-to-value ratio, as defined in PIP's Credit Facility and Loan Notes agreements. If the ALN is included, net debt to NAV was 9.4% as at 31 May 2024.

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

Managing our financing cover

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

As at 31 May 2024, PIP had net available cash[3] balances of £16m (31 May 2023: £63m).

In addition to these cash balances, PIP also has access to a £500m equivalent credit facility, split as follows:

- Facility A: £400m, expiring in October 2026 with an ongoing option to extend, by agreement, the maturity date by 364 days at a time; and
- Facility B: £100m, expiring in October 2024.

Using exchange rates as at 31 May 2024, the credit facility amounted to a sterling equivalent of £482m, of which £398m remained undrawn as at the year end.

With £16m of net available cash and an undrawn credit facility of £398m, PIP had £414m of available financing as at 31 May 2024 (31 May 2023: £554m) which, along with the value of the private equity portfolio, provides comfortable cover of 3.9 times (31 May 2023: 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 89% as at 31 May 2024 (31 May 2023: 98%)[4].

[3] The available cash and loan figure excludes the current portion payable under the ALN, which amounted to £0.4m as at 31 May 2024.

[4] Excludes outstanding commitments relating to funds outside their investment period (>13 years old), amounting to £41.7m as at 31 May 2024 (31 May 2023: £48.2m).

RISK MANAGEMENT AND PRINCIPAL RISKS

The Company is exposed to a variety of risks and uncertainties. The Board, through delegation to the Audit Committee, has undertaken a robust assessment and review of the principal risks facing PIP, together with a review of any new and emerging risks that may have arisen during the year to 31 May 2024, including those that would threaten its business model, future performance, solvency or liquidity. A summary of the risk management and internal control processes can be found in the Statement on Corporate Governance in the full Annual Report.

Investment and strategy risk

Type and Description of Risk	Potential Impact	Risk Mitigation	Outcome for the Year
Investment performance The Manager selects the investments for the Company's Portfolio. The origination, investment selection and management capabilities of both the Manager and the third-party managers are key to the performance of the Company.	• Performance not comparable to benchmark/ industry average. Consistently poor performance may lead to a fall in the quoted share price and impact share price discount to NAV.	• Pantheon has a long track record of investing alongside private equity managers who have experience of navigating economic cycles. Diversification by geography, stage, vintage and sector, helps to mitigate the effect of public market movements on the Company's performance.	**Stable during the year** • PIP continues to adopt a diversified approach to portfolio construction. • In historical periods of significant public market volatility, private equity market valuations have typically been less affected than public equity market valuations. • Portfolio investment return of +4.9% in the year to 31 May 2024.
Market and macroeconomic factors Inflation, interest rates and equity market performance can affect portfolio investment returns.	• Impact of general economic conditions on underlying fund and company valuations, exit opportunities and the availability of credit. • Higher risk of market volatility, price shocks or a significant market correction.	• As part of its investment due diligence process, Pantheon assesses the approach of its underlying managers to company illiquidity and macroeconomic factors as well as projected exit outcomes. • Portfolio diversified across multiple countries and sectors to reduce the impact of market and macroeconomic factors.	**Stable during the year** • Inflation pressures have decreased during the year in the Global Economy. Interest rates remain at 10-year highs, but early indications are that central banks could start to reduce interest rates. • Resilient performance of the portfolio despite a challenging macro environment. Underlying portfolio Revenue growth was 14% and EBITDA growth was 17% in the reporting period.
Valuations In valuing its investments in private	• Potential for inconsistency in the valuation methods	• The valuation of investments is based on periodically audited	**Stable during the year** • No material misstatement concerning the valuations

equity funds and unquoted companies and publishing its NAV, the Company relies to a significant extent on the accuracy of financial and other information provided by third-party managers.	adopted third-party managers and for valuations to be misstated.	valuations that are provided by the underlying private equity managers. • Pantheon carries out a formal valuation process involving monthly reviews of valuations, the verification of audit reports and a review of any potential adjustments required to ensure reasonable valuations in accordance to fair market value principles under Generally Accepted Accounting Principles ("GAAP"). • Pantheon's Valuation Committee, which is independent of the investment and investor relations teams, and comprised of senior team members, has ultimate responsibility for approving valuations, ensuring that there are robust governance, oversight and process frameworks in place, guaranteeing compliance with standards and consistent application of policy. The Committee reports to the Board on a Semi-Annual Basis or when there are any material matters arising. • A member of the Audit and Risk Committee and EY observe the Valuation Committee on a semi-annual basis.	provided by underlying private equity managers and the existence of investments during the year. • No changes in valuation policy in the year or changes to US or International Valuation Standards.
Level of Discount A decline in the popularity of the listed private equity sector has contributed to a reduction in demand for the Company's shares.	• Market sentiment on the listed private equity sector can affect the Company's share price and widen discounts relative to NAV, causing shareholder dissatisfaction.	• Regular review of the level of discount or premium relative to the sector. • Consideration of ways in which share price performance may be enhanced including the effectiveness of marketing and policies such as share buybacks. •The Board regularly discusses the shareholder register with the Manager to monitor buying/selling activity and to identify potential new investors. • Pantheon and the Company's brokers are in regular contact with existing shareholders and prospective new investors.	**Stable during the year** • Private equity continues to outperform public markets over the long term and has proved to be an attractive asset class through various cycles. • The Company invested £196.7m* in share buy backs during the financial year to 31 May 2024. From 1 June 2024, under the new Capital Allocation Policy, the Board intends to dedicate a proportion of the Company's adjusted net portfolio cashflow future share buybacks. • The Company's share price discount to NAV decreased during the year but, in line with the industry, still trades at a material discount.
Vehicle financing Availability, level and cost of credit for the Company.	• Potential impact on performance and liquidity, especially in the event of a market downturn.	• PIP's Articles of Association and investment policy impose limits on the amount of gearing that the Company can take on. • The periodic review of principal covenants for the loan facility ensures that the Company complies with loan-to-value and liquidity ratios. • The Board conducts regular reviews of the balance sheet and long-term cash flow projections, including downside scenarios that reflect the potential effects of significant declines in NAV performance, adverse	**Falling during the year** • The Company issued US$150m in a private placement of loan notes and refinanced its £500m credit facility. • Cash flow forecasts under normal and stress conditions were reviewed with the Board. Downside scenario modelling indicates that the Company has the available financing in place to meet investment commitments, even in an environment characterised by large NAV declines and a material reduction in distribution activity. • The Board currently does not expect net leverage to exceed

		changes in call/distribution rates and restrained liquidity in a distressed environment.	10% of NAV under normal market conditions. • The Company-level leverage was 8.1% as at the end of the financial year.
Look-through gearing Availability, level and cost of debt for underlying funds and portfolio companies.	• Rising interest rates can impact the profitability and valuation of underlying portfolio companies. • A deterioration in credit availability can potentially reduce investment activity.	• As part of its investment process, the Manager undertakes a detailed assessment of the impact of debt at the underlying fund level and underlying company level on the risk-return profile of a specific investment.	**Stable during the year** • Debt multiples in PIP's buyout portfolio remain at reasonable levels as at year end as interest rates have stabilised. • Rates of default or covenant breaches remain very low in the underlying portfolio.
Liquidity management Insufficient liquid resources to meet outstanding commitments to private equity funds.	• The Company has outstanding commitments that may be drawn down at any time in excess of total liquidity to private equity funds. The ability to fund this difference is dependent on receiving cash proceeds from investments (the timing of which are unpredictable) and the availability of financing facilities.	• PIP has a mature portfolio that is naturally cash generative. • If cash balances and cash distributions are insufficient to cover capital calls, PIP has the ability to draw funds from a credit facility. • Pantheon manages the Company so that undrawn commitments remain at an acceptable level relative to its portfolio assets and available financing. • The Board conducts a comprehensive review of the Company's cash flow forecasts under different scenarios on a regular basis.	**Stable during the year** • PIP has access to a £500m-equivalent loan facility split as follows: - Facility A: £400m, expiring in October 2026 with an ongoing option to extend, by agreement, the maturity date by 364 days at a time; and - Facility B: £100m, expiring in October 2024. • Overall finance has strengthened in the period including diversification of the facility lenders and diversifying the maturity dates. However, distribution levels remain significantly below long-term averages at 8% per annum. • Together with PIP's net available cash balances of £16m, total available financing as at 31 May 2024 stood at £414m. Total available financing, along with the private equity portfolio, was greater than outstanding commitments by a factor of 3.9 times.
Investment rate Lack of suitable investment opportunities to meet strategic objectives.	• Change in risk profile because of manager, fund or company exposures that are materially different from the Company's intended strategy.	• Pantheon has put in place a dedicated investment management process designed to achieve the intended investment strategy agreed with the Board. • The Board regularly reviews investment and financial reports to monitor the effectiveness of the Manager's investment processes.	**Stable during the year** • During the year, PIP has invested within strategic limits for vintage year, geography and stage allocations, as well as within concentration limits for individual managers, funds and companies. • PIP invested £197m in share buybacks during the last year.
Foreign exchange risk PIP has continued to expand its geographic diversity by making investments in different countries. Accordingly, a significant majority of PIP's investments are denominated in US dollars, euros and currencies other than sterling.	• Unhedged foreign exchange rate movements could impact NAV total returns.	• Pantheon monitors underlying foreign currency exposure and, together with the Board, reviews hedging strategies available to the Company. • As part of its investment process, the Manager takes currency denominations into account when assessing the risk/return profile of a specific investment. • The multi-currency credit facility is a natural hedge for currency fluctuations.	**Stable during the year** • There was no material change in the Company's exposure to foreign exchange currency risk in the year. • Foreign exchange had a negative impact on NAV performance during the year. Despite this, it remains appropriate for the Company not to hedge its foreign exchange.

* Excluding costs and stamp duty.

Operational risk

Type and Description of Risk	Potential Impact	Risk mitigation	Outcome for the Year
Sustainability and climate change The risk that the Company or the	• The Company is exposed to the impact of a mismanagement or failure to recognise	• Pantheon has a responsible approach when making investments on behalf of PIP. Adherence to sound	**Stable during the year** • Pantheon has an established in-house sustainability

Manager fails to respond appropriately to the increasing global focus on sustainability issues.	potential sustainability issues at portfolio company level, industry level, service provider, and Board level, which could damage the reputation and standing of the Company and ultimately affect its investment performance.	sustainability principles has been an integral part of Pantheon's pre-and post-investment processes for several years. Pantheon continues to play an influential role in promoting sustainability standards and Inclusion and Diversity in private equity.	committee comprising senior individuals from its investment, risk, legal and investor relations teams. • Pantheon has recently published the Company's Sustainability report. • Pantheon analyses the annual Sustainability Survey responses and individual GP ratings to produce the Private Markets Sustainability Index ("PMSI") which is publicly available on Pantheon's website. • The Board has nominated Dame Susan Owen DCB, to lead engagement with Pantheon on behalf of the Board. • The Board of PIP has oversight of sustainability matters in PIP's portfolio.
Tax Status Changes in the Company's tax status or in tax legislation and practice.	• Failure to understand tax risks when investing or divesting could lead to tax exposure or financial loss.	• Pantheon's investment process incorporates an assessment of tax. • The Manager reviews the appropriateness of an investment's legal structure to minimise the potential tax impact on the Company.	**Stable during the year** • Taxes had a minimal effect on overall NAV performance in the year.
Service Providers The Company is dependent on third parties for the provision of services and systems, especially those of the Manager, the Administrator and the Depositary.	• Business disruption should the services of Pantheon and other third-party suppliers cease to be available to the Company. • A failure of the Manager to retain or recruit appropriately qualified personnel may have a material adverse effect on the Company's overall performance.	• The Board keeps the services of the Manager and third-party suppliers under continuous review. • The Management Agreement is subject to a notice period of two years, giving the Board adequate time to make alternative arrangements in the event that the services of Pantheon cease to be available. • The Manager regularly updates the Board on team developments and succession planning. • The Board performs an ongoing review of the Manager's performance in addition to a formal annual review.	**Stable during the year** • The Board has approved the continuing appointment of the Manager and other service providers following an assessment of their respective performance during the year. • Pantheon operates a hybrid working model and is confident of being able to continue to meet PIP's needs through this model.
Cyber Security High dependency on effective information technology systems to support key business functions and the safeguarding of sensitive information.	• Significant disruption to information technology systems, including from a potential cyber-attack, may result in financial losses, the inability to perform business-critical functions, loss or theft of confidential data, regulatory censure, legal liability and reputational damage.	• Pantheon has a comprehensive set of policies, standards and procedures related to information technology and cybersecurity. • Ongoing investment and training to improve the reliability and resilience of Pantheon's information technology processes and systems. • Pantheon reviews all the service providers to ensure they have appropriate procedures in place. Service providers provide copies of cybersecurity policies, systems, procedures, certificates and relevant insurance documentation.	**Stable during the year** • Pantheon's systems, processes and technologies have been thoroughly tested and are fully operational. • An imposter website which used PIP's branding and marketing material in relation to a fictitious cryptocurrency investment continued to appear under new names. • Pantheon has implemented an expert vendor who can provide the service of identifying new fraudulent sites and facilitate the subsequent take-down once discovered.
Global geopolitical risks Geopolitical factors, including the Russia-Ukraine war and the conflict in the Middle East, and the resulting economic uncertainty	• Market and currency volatility may affect returns. • New or increasing geopolitical risks including further conflict, supply chain disruption, sanctions, new legislation, and	• The Board and Pantheon continuously monitor geopolitical developments and societal issues relevant to its business. • An assessment of geopolitical risk is embedded in Pantheon's investment process.	**Rising during the year** • Pantheon's established Risk, Legal and Tax functions have ensured compliance with local laws and regulations. • PIP's exposure to high-risk countries is minimal. Israel exposure accounts for

may affect the Company.	investment restrictions could have medium and long-term impact on global economies, including energy prices and interest rates, and individual companies to which the Company has exposure. • Geopolitical undercurrents may disrupt long-term investment and capital allocation decision-making.		approximately 1% of portfolio NAV.
Artificial Intelligence ("AI") Disruption to business model of the Manager and underlying portfolio companies may impact the long-term performance of the Company.	• Failure to successfully implement market leading AI tools within Pantheon's investment process could impact investment rates and long-term performance. • Sectors and Individual Portfolio companies market position could be challenged by competition from companies using AI. Failure to respond to the challenges could impacted long-term performance and attractiveness to potential buyers.	• Pantheon continues to evaluate further opportunities to use AI within its Investment Management Processes and wider business model. • Pantheon assesses the potential risks and opportunities of AI as part of its due diligence process and in ongoing monitoring.	**Rising during the year** • The use of AI throughout different sectors and companies continues to grow year on year. • No material impact from AI on the overall portfolio during the year.

* Excluding costs and stamp duty.

VIABILITY STATEMENT

Pursuant to provision 31 of the UK Corporate Governance Code 2018, and the AIC Code of Corporate Governance, the Board has assessed the viability of the Company over a three-year period from 31 May 2024. It has chosen this period as it falls within the Board's strategic planning horizon.

The Company invests in a portfolio of private equity assets that is diversified by geography, sector, stage, manager and vintage; it does so via both fund investments and by co-investing directly into companies alongside selected private equity managers. The Company invests significantly in the private equity secondaries market as this allows the Company to maintain a more mature portfolio profile that is naturally cash-generative in any particular year.

The Company seeks to maximise long-term capital growth by investing with top-tier private equity managers that are focused on generating outperformance against the broader private equity market. As an investment trust, the Company's permanent capital structure is well suited to investing in private equity, a long-term asset class. The Company's Manager has a long-standing culture that emphasises collaboration and accountability, facilitating open dialogue with underlying private equity managers that help the Company to anticipate market conditions and maintain a conservative approach to balance sheet management. The resilience of the Company, positioning of the portfolio and durability of the private equity market are detailed in the full Annual Report and Accounts 2024.

In making this statement, the Directors have reviewed the reports of the Manager in relation to the resilience of the Company, taking account of its current position, the principal risks facing it in a low case scenario which considers the potential further impact of the ongoing international conflicts and election cycles which have brought about increased geopolitical uncertainties including the disruption to the global supply chain and increases in the cost of living as a result, persistent inflation, interest rate rises and the impact of climate change on PIP's portfolio, the effectiveness of any mitigating actions and the Company's risk appetite. The assessment also considers the impact of the Company's Capital Allocation Policy in regard to share buybacks.

As part of the assessment, this also included a combined reverse stress test that analyses the factors that would have to simultaneously occur for the Company to be forced into a wind-down scenario where the Company's business model would no longer remain viable. These circumstances include a significant peak in the outstanding commitments called within a 12-month period, combined with a significant decline in the portfolio valuations and distributions. Overall, the reverse stress tests are sufficiently improbable as to provide a low likely risk of impact to the Company's viability and medium-term resilience.

Commitments to new funds are controlled relative to the Company's assets, and the Company's available liquid financial resources are managed to maintain a reasonable expectation of being able to finance the calls, which arise from such commitments, out of internally generated cash flow. In addition, the Company has put in place a revolving credit facility to ensure that it is able to finance such calls in the event that distributions received from investments in the period are insufficient to finance calls. The Company agreed a private placement of $150m of long-dated loan notes giving it access to an even more diverse supply of liquidity. The Board reviews the Company's financing arrangements at least quarterly to ensure that the Company is in a strong position to finance all outstanding commitments on existing investments as well as being able to finance new investments.

In reviewing the Company's viability, the Board has considered the Company's position with reference to its investment trust structure, its business model, its business objectives, the principal risks and uncertainties as detailed in the full Annual Report and Accounts 2024 and its present and expected financial position. In addition, the Board has also considered the Company's conservative approach to Balance Sheet management, which allows it to take advantage of significant investment opportunities, and the appropriateness of the Company's current investment objectives in the prevailing investment market and environment.

The Board regularly reviews the prospects for the Company's portfolio and the opportunities for new investment under a range of potential scenarios to ensure it can expect to be able to continue to finance its activities for the medium-term future. Based on its review, the Board has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over a three year period ending on 31 May 2027.

On behalf of the Board

John Singer CBE

31 July 2024

MANAGER'S REVIEW

Our Market

Strength and resilience

Helen Steers and Charlotte Morris, Partners at Pantheon and Co-lead Managers of PIP, discuss how the private equity market continues to successfully navigate the challenging macroeconomic environment.

As we consider the significant challenges that have arisen during the last few years, as a result of major macroeconomic and geopolitical events as well as the aftermath of the COVID-19 pandemic, investors are increasingly looking for stability, predictability and consistent returns. While not immune to what is happening in the world, private equity offers an interesting proposition as part of a diversified investment portfolio. With public markets becoming ever more concentrated, and arguably covering only a small subset of the broader range of investment opportunities, private markets are able to provide access to exciting, fast growing and niche orientated businesses that are focused on compelling sub-sectors such as enterprise software and healthtech. Furthermore, numerous studies and sources have demonstrated that private equity can outperform public markets over the medium and long term. In our view, the best quality, most experienced private equity managers are particularly well-suited to successfully navigate uncertainty and, with their nimbleness and long-term investment horizon, take advantage of periodic market dislocations by sourcing compelling deals, often at attractive valuations. Also, they are able to develop innovative solutions for their investors: the rise of manager-led deals in the secondary market is an example of this.

One of the fundamental characteristics of the private equity industry is its ability to adapt, evolve and respond flexibly to prevailing market conditions. For example, nowadays the best private equity managers are no longer the "financial engineers" that were more common several decades ago at the dawn of the industry, but now are sophisticated operators of businesses. They have experts on staff who take a "hands-on" approach by getting to know their portfolio companies inside out, working with well-aligned management teams and hand-picked industry experts to implement operational improvements. In addition to delivering organic revenue and profit growth, successful private equity managers identify add-on acquisitions to fuel company growth geographically or in complementary products and services.

Private equity managers are patient as well as active investors; they typically hold their companies for an average of six years, away from the glare and perhaps more short-term mindset of the public markets, making strategic decisions that they believe will deliver in the medium and long term even though they may not have an immediate impact on earnings in the short term.

Investing in resilient, growing sectors

Although recent performance of the private equity industry has been impacted by the unwinding of quantitative easing, interest rate hikes, high inflation and lower valuation multiples, it has nevertheless demonstrated its resilience, continuing to outperform public markets over the medium and long term. We have seen this within PIP's own portfolio which, over the past couple of years, has not experienced the valuation impairments that were perhaps expected by public market commentators. One of the reasons for this is because, on behalf of PIP, we are backing top quality managers who are sector specialists, focusing on resilient, non-cyclical sectors that are benefitting from long-term trends such as automation and digitalisation, ageing demographics and sustainability. In addition, we are investing directly in the most exciting sub-sectors of the market through co-investments and single-asset, manager-led secondaries, deploying our "double filter" to identify and access the most attractive company opportunities.

Many private equity managers, and Pantheon itself, use artificial intelligence (AI) tools, which bring a number of benefits and efficiencies to the due diligence process, monitoring and the management of the portfolio. From an investment standpoint, private equity is actively targeting companies that provide products and services enabling the adoption and implementation of large-scale AI strategies. While the promise of AI has been around for years, there has been a resurgence of interest due to the advent of more accessible machine learning models, reusable large language models (LLMs), and the sheer amount of data that enterprises have to manage dynamically. An example of one of PIP's portfolio companies which is enabling its customers to solve AI data strategy problems is Confluent, which is featured as a case study in the full Annual Report.

We believe that these longer-term trends, including AI, are here to stay regardless of what is happening in the broader macroeconomic environment, and will continue to provide tailwinds to PIP's portfolio companies. As shown below, PIP's portfolio gives investors exposure to exciting businesses in niche sectors that are not typically available via the public markets and which benefit from these secular trends.

Overall, profitable, growing technology and healthcare companies make up a considerable proportion of PIP's exposure. Our preference is to "lean in" to the dynamic parts of the global economy and this underpins our focus on generating appropriate risk-adjusted returns over the long term. Many of the companies in PIP's portfolio are able to pass their costs on to their customers efficiently because of the differentiated must-have products and services that they offer. For example, software-as-a-service (SaaS) providers such as Visma, one of PIP's largest companies, have the advantage that their clients often cannot do without these essential business tools, and price increases can be implemented immediately. PIP's private equity managers are also seeking to contain costs in their underlying companies, obtain better terms from suppliers and drive through change. Notably, they are using technology (including AI) for a variety of purposes, such as improving productivity and making efficiency gains, and for better risk management.

The effects of these actions can be evidenced by the fact that the average annual EBITDA growth of PIP's buyout portfolio in the last five years is a robust +19%. In addition, when our portfolio companies are sold, they are typically realised at an uplift to the carrying value of the company. In PIP's portfolio, the weighted average uplift of the companies that were sold was +20% during the financial year to 31 May 2024. This indicates that our portfolio companies are valued conservatively, and continues the trend that we have observed for many years; since 2012 the average uplift upon exit of PIP's portfolio companies has been +30%. There is a broader explanation of this phenomenon, which applies more generally to the private equity market; managers "smooth" valuations and prefer to surprise their closed-end fund investors on the upside. In addition, it is important to note that private equity managers generally do not receive their performance fee until the majority of the fund has been fully exited and the overall returns have exceeded a challenging "high water" mark. Therefore, private equity managers have little incentive to excessively write up the valuations of their portfolio companies. These factors add further weight to our view that the scepticism of public market commentators as to the validity of the valuations in private equity, is unwarranted. Some of the case studies in this report demonstrate how our managers have created value in their portfolio companies.

Deal activity and exit environment in private equity

As well as understanding the valuation methodologies of our underlying managers, part of our detailed investment due diligence process also includes analysing the investment rationale, the value creation levers available and the expected exit routes for the target business. A majority of PIP's portfolio is invested in buyouts, where the private equity manager (sometimes alongside co-investors) is the majority owner and can therefore choose when and how to exit a portfolio company. In other words, private equity managers control their realisations and importantly, they are not forced sellers. As a result of the current macroeconomic environment, many of our managers are holding on to their companies for longer than usual while they wait for the right time to commence a sales process. Indications are that the average holding period has increased from around five years in 2019 to around six years in 2023[1]. More generally, the slowdown in M&A transactions over the past two years means that private equity deal flow was lower in 2023, compared to 2022 and 2021, although add-on acquisitions continued apace as private equity managers executed on their "buy-and-build" strategies, snapping up smaller, synergistic companies at attractive valuations to bolt on to their platform companies.

We are hopeful that we will start to see increased deal activity as more certainty returns to the inflation and interest rate environment, and the opening of the initial public offering (IPO) market accelerates. Although PIP is not dependent on its portfolio companies going public for exits, healthy IPO markets boost overall market confidence and support both private equity and strategic/ trade buyer activity. Both we and our managers are unable to predict the timing of a resurgent M&A market, but there are very early signs that the tide may be starting to turn, which means that several of PIP's portfolio companies, which are already being prepared for exit, will be ready for sale as the outlook improves. Indeed, deal activity does seem to be picking up - for example recently released data shows that new transactions in Europe increased markedly in Q2 2024, with newly recorded deals increasing by 5% by number, and by 73% by aggregate deal value[2].

In addition to more confidence returning to the overall M&A market, there are record levels of dry powder (c.US$1.5tn[3]) in our industry, which is capital that has been raised and is available to invest but has not yet been deployed, however a majority of this is concentrated among the largest buyout funds. This capital sitting above us at the mega end of the market is positive for PIP as these managers can, and often do, buy our smaller portfolio companies to take them onto their next stage of development. The most recent European deal data appears to point to greater activity by the large and mega buyout focused managers, who are under pressure to deploy capital.

Perhaps unsurprisingly in the current macroeconomic environment, private equity fundraising remained challenging during 2023. However, we observed that the highest quality private equity managers were not held back and were still able to fundraise while those of lesser quality struggled. Fundraising is taking longer on average and there are fewer first time funds than has been the case in the past. Nevertheless, the buyout segment of the global private equity market had its best year on record for fundraising and private equity assets under management are expected to exceed US$8.5tn[4] by 2028. On behalf of PIP, we focus on small-mid market buyouts as we believe that this part of the market offers compelling characteristics and multiple opportunities for value creation. See the "Unlocking value in the mid-market" commentary in the full Annual report for more information.

Despite the difficult conditions, indications are that institutional investors remain committed to private equity with the majority responding in surveys that they plan to maintain or increase their allocations to the asset class over the longer term[5].However, many of these investors are under pressure because of diminished distributions over the past two years, and are keen to see capital returned from their existing private equity funds, in order to be able to commit to new funds. The so-called "denominator" effect, which occurs when investors find that their investment portfolios are overallocated to private equity versus their public equity exposure, has persisted, even though public markets have rebounded since the end of 2023. This phenomenon, coupled with the softer exit and distribution environment has led to an increase in the number of manager-led secondary deals through 2023 as pressure for liquidity generation from fund investors continued to mount. This proliferation of secondary deals that are led by the private equity managers themselves has provided attractive opportunities for a seasoned secondary market investor such as Pantheon. See the interview with Charlotte Morris, Pantheon Partner and Co-Lead Manager of PIP in the full Annual Report to find out more about this fast-growing part of the private equity market.

Manager and deal selection is important

It should be noted that despite the many attractions of investing in the asset class, there is a wide dispersion of returns in private equity, and the best managers, who generate the most exciting investment opportunities, are routinely access-constrained. Furthermore, co-investment and secondary deal sourcing from the best managers requires a deep network and strong relationships that can only be generated over decades of private markets investment. Sourcing a large funnel of deals from a global platform of relationships is only the beginning; successful co-investors and secondaries investors require specialised deal analysis and execution skills, which are built up over a long period of time.

Both manager and deal selection (the "double filter") are critical to generating outperformance, and a detailed knowledge of the market is essential to finding and executing the best investment opportunities. Pantheon has more than 40 years of experience investing in private equity funds and companies, and we believe that our positions on 642 advisory boards[6] give us an information and relationship edge, allowing us to position ourselves well for future deal flow. PIP benefits from being an integral part of Pantheon's platform, having access to a broad set of global relationships, deal opportunities and expertise.

We have managed and advised PIP since it was launched in 1987 and it has been designed to provide an "all weather", high-quality, low risk portfolio that can withstand macroeconomic volatility and market cycles. As we look back at the last financial year and more broadly at PIP's history through several economic cycles, we can see the evidence of this approach coming to fruition and remain highly confident in the Company's prospects in the future.

[1] Source: Bain & Company, Global Private Equity Report 2024.

[2] Source: Preqin data, as at 11 July 2024.

[3] Source: Preqin data, as at 8 July 2024.

[4] Source: Preqin Global Report Private Equity 2024.

[5] Source: Preqin Institutional Allocation Survey 2024.

[6] As at 31 March 2024.

PORTFOLIO AS AT 31 MAY 2024

Since its inception, PIP has been able to generate positive 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.

Investment type[1]

Flexible approach to portfolio construction increases potential for outperformance.

Primaries	35%
Co-investments	34%
Manager-led secondaries	20%
Fund secondaries	11%

54% invested directly in companies.

Region[1]

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

USA	54%
Europe	31%
Global[2]	8%
Asia	7%

Stage[1]

Well-diversified with an emphasis on the buyout stages.

Small/mid-buyout	46%
Large/mega-buyout	26%
Growth	19%
Special situations	5%
Venture	4%

Sector[3]

Focus on high-growth and resilient sectors.

Information technology	33%
Healthcare	20%
Consumer	14%
Industrials	11%
Financials	10%
Communication services	7%
Energy	2%
Materials	2%
Others	1%

Vintage profile[4]

PIP's portfolio has a weighted average age of 5.2 years.

2023 and later	6%
2022	18%
2021	14%
2020	8%
2019	13%

2018	11%
2017	9%
2016	8%
2015	6%
2014 and earlier	7%

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

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

[3] The company sector data is based upon underlying company valuations as at 31 March 2024, adjusted for calls and distributions to 31 May 2024. These account for 100% of PIP's overall portfolio value.

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

PERFORMANCE

PIP's portfolio value has increased modestly over the period. Access to top-performing managers and a tilt towards resilient and high-growth sectors have helped PIP withstand the current macroeconomic environment.

Private equity portfolio movements

PIP's portfolio generated returns of +4.9% during the year[1].

Portfolio value 31 May 2023	£2,387m
Valuation gains	£118m
Foreign exchange impact	(£50m)
Distributions	(£193m)
Calls	£156m
New investments[2]	(£50m)
Portfolio value 31 May 2024	£2,468m

Valuation movement by type[3]

Resilient portfolio performance despite the current challenging macroeconomic environment. The return on manager-led secondaries reflects the relative immaturity of this segment of the portfolio.

	Return	Closing portfolio NAV
Co-investments	7.4%	34%
Fund secondaries	4.6%	11%
Primaries	3.5%	35%
Manager-led secondaries	1.9%	20%

Valuation movement by stage[3]

Positive performance across the whole of PIP's portfolio.

	Return	Closing portfolio NAV
Large/mega buyout	6.2%	26%
Small/mid buyout	4.3%	46%
Growth	3.9%	19%
Special situations	3.6%	5%
Venture	2.0%	4%

Valuation movement by region[3]

PIP's portfolio is weighted towards investments in the USA and Europe, which generated positive returns during the period.

The performance of Global and Asia were affected by a handful of company-specific writedowns.

	Return	Closing portfolio NAV
Europe	6.2%	31%
USA	5.4%	54%
Global	(0.5%)	8%
Asia	(0.7%)	7%

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

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

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

Realisations

PIP's mature portfolio continued to generate distributions despite a subdued exit environment. Distributions have been incremental to returns, with many reflecting realisations at significant uplifts to carrying value. There have been c.400 distributions from PIP's portfolio during the period.

Uplifts on exit realisations[1]

The value-weighted average uplift on exit realisations in the year was 20%, consistent with our view that realisations can be incremental to returns.

The method used to calculate the average uplift is to compare the value at exit with the value of the investment 12 months prior to exit, or if known, the latest valuation unaffected by pricing effects arising from market participants becoming aware of the imminent sale of an asset. Since 2012, the weighted average uplift on exit is 30%.

Value-weighted average uplift= +20%

Cost multiples on exit realisations[1]
The average cost multiple on exit realisations of the sample was 3.2 times for the year ended 31 May 2024. The cost multiple for this financial year was above the 3.0 times average annual cost multiple achieved on exit since 2021. This demonstrates value creation over the course of PIP's investments.

Average cost multiple on exit = 3.2x

[1]See the Alternative Performance Measures section in the full Annual Report for sample calculations and disclosures

Exit realisations by sector and type
Realisation activity was strongest in the communication services and financials sectors. Strategic sales and secondary buyouts represented the most significant sources of exit activity during the year.

Exit realisations by sector[2]
For the year to 31 May 2024

Communication services	35%
Financials	31%
Information technology	10%
Industrials	9%
Healthcare	8%
Consumer	4%
Energy	3%

Exit realisations by type[2]
For the year to 31 May 2024

Strategic sale	41%
Secondary buyout	41%
IPO[1] and secondary share sale	15%
Refinancing and recapitalisation	3%

[1]Initial Public Offering
[2]The data in the sample provides coverage for 100% (for exit realisations by sector) and 96% (for exit realisations by type) of proceeds from exit realisations received during the period.

Net Portfolio Cash Flow
Net portfolio cash flow equals distributions less capital calls.

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

With an average distribution rate of 22% since 2012, PIP's portfolio has been cash flow positive since 2010.

During the year, PIP's net portfolio cash flow was £37m. PIP has generated £1.6bn of net cash over the last 10 years.

Net positive cash flow generation has continued despite lower levels of exit and new deal activity. Refer to the Market review section above for more details on how the private markets have performed.

Distributions
With a weighted average fund maturity of 5.2 years at 31 May 2024 (31 May 2023: 4.8 years), PIP's portfolio continued to generate positive net cash.

PIP received £193m in proceeds from PIP's portfolio in the year to 31 May 2024 (year to 31 May 2023: £223m), equivalent to an annualised distribution[1] rate of 8% of opening portfolio value (31 May 2023:10%).

Quarterly Distribution Rates[1]

Despite a slowdown in distributions during the period, in line with the wider private equity market, PIP's portfolio has continued to generate cash.

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

Calls
PIP paid £156m to finance calls on undrawn commitments during the year (year to 31 May 2023: £155m).

Quarterly Call Rate[1]
The annualised call rate[1] for the year to 31 May 2024 was equivalent to 18% of opening undrawn commitments (31 May 2023: 21%).

The observed call rate is below historical average levels and is a reflection of the subdued Mergers & Acquisitions ("M&A") market.

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

New Commitments
The Company intentionally managed investment pacing to ensure liquidity was preserved in a market environment experiencing lower exit levels than historically.

PIP made 16 new investments during the year to 31 May 2024, amounting to £153m in new commitments. These commitments were to nine primary funds (£99m), six co-investments (£42m) and one manager-led secondary (£12m).

In addition, PIP was able to deploy a significant amount of capital despite low levels of deal flow, and capture value for its shareholders, by acquiring its own shares at a significant discount to NAV. During the financial year, the Company invested £197m* in share buybacks at an average discount of 35%.

Our investment process:

1. Investment opportunities in companies and funds are originated via Pantheon's extensive and well-established platform.
2. We invest with many of the best private equity managers who are able to identify and create value in their portfolio companies.
3. Cash generated from the sale of those companies is returned to PIP and redeployed into new investment opportunities, including buybacks in accordance with the new CAP.

New commitments by region	
Europe	53%
USA	35%
Global	12%

New commitments by stage	
Growth	46%
Small/mid buyout	21%
Venture	20%
Large/mega buyout	13%

New commitments by type	
Primaries	64%
Co-investments	28%
Manager-led secondaries	8%

* Excluding costs and stamp duty.

Buyout Analysis[1]

Revenue and EBITDA growth
Over the past 12 months, the weighted-average revenue and EBITDA growth for PIP's buyout portfolio was 14% and 17% respectively. PIP's five year average revenue and for EBITDA growth have exceeded growth rates seen among companies that constitute the MSCI World Index. Strong top-line performance, disciplined cost control, operational expertise and good earnings growth, together with an efficient use of capital, underpin the investment thesis of our private equity managers.

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 20.1 times for the MSCI World index.

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

PIP buyout sample
17.3x

MSCI World[3]
20.1x

Buyout portfolio[4]	
Information technology	27%
Healthcare	21%
Consumer	17%
Industrials	14%
Financials	12%
Communication services	5%
Materials	3%
Others	1%

MSCI World[5]	
Information technology	23%
Consumer	18%
Financials	15%
Healthcare	12%
Industrials	12%
Others	9%
Communication services	7%
Materials	4%

[1]The sample buyout figures for the 12 months to 31 December 2023 were calculated using all the information available to the Company. The figures are based on unaudited data. MSCI data was sourced from Bloomberg. See the Alternative Performance Measures section in the full Annual Reportfor sample calculations and disclosures.

[2] The MSCI World, 2023 and 2022 aggregate market-weighed revenue and EBITDA growth data is derived from constituent companies compared on a year-on-year basis for the financial years ending 31 December 2023 and 2022.

[3] The MSCI World valuation multiple is derived from weighted valuation multiples data of the constituent companies as at 31 December 2023.

[4] 100% coverage of buyout portfolio.

[5] As at 31 May 2024.

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.

	Debt multiples	% of PIP's portfolio
Small/mid buyout	4.8x	46%
Large/mega buyout	5.2x	26%

Largest 50 Companies by Value[1]

	Company	Country	Sector	Investment type	Description
1	Action	Netherlands	Consumer	Manager-led Secondary	General merchandise discount stores
2	Kaseya	Switzerland	Information Technology	Co-Investment; Secondary	Provider of IT management and monitoring softv services
3	Visma	Norway	Information Technology	Primary; Co-investment	Provider of software solutions for finance and HI departments
4	Smile Doctors	USA	Healthcare	Manager-led Secondary	Orthodontic treatments and services provider
5	Shiftkey	USA	Healthcare	Manager-led Secondary	Recruitment platform for nurses
6	Valantic	Germany	Information Technology	Manager-led Secondary	Digital consulting and software company
7	MRO	USA	Healthcare	Co-investment; Primary	Provider of disclosure management services
8	Froneri	United Kingdom	Consumer	Manager-led Secondary	Ice cream and frozen food manufacturer
9	OMNI	USA	Healthcare	Manager-led Secondary	Specialist eye treatment provider
10	Anaplan	USA	Information Technology	Co-investment; Primary	Developer of a cloud-based modelling and plann platform
11	Asurion	USA	Financials	Manager-led Secondary	Mobile phone insurance company
12	SunMedia	Spain	Communication Services	Co-investment	Digital advertising company
13	Lifepoint Health	USA	Healthcare	Co-investment; Manager-led Secondary	Healthcare provider
14	JSI	USA	Industrials	Manager-led Secondary	Consultant to telecommunication service provide
15	Millennium Trust Company	USA	Financials	Co-investment; Primary	Provider of technology-enabled retirement and investment services
16	Eversana	USA	Healthcare	Manager-led Secondary	Commercial services platform for the life scienc sector
17	Doit	USA	Information Technology	Co-investment	Provider of cloud consulting and engineering ser
18	Recorded Future	USA	Information Technology	Primary; Co-Investment; Fund Secondary	Cybersecurity software company
19	Nord Anglia Education	Hong Kong	Consumer	Primary; Co-Investment	Operator of educational institutions
20	Ascent Resources	USA	Energy	Fund Secondary	Natural gas and oil producer
21	Confie	USA	Financials	Co-Investment	Commercial insurance broker
22	Cotiviti	USA	Healthcare	Co-Investment	A provider of healthcare payment integrity and analytical solutions
23	Kaspi.kz	Kazakhstan	Financials	Primary	Banking products and services provider
24	RLDATIX	USA	Healthcare	Manager-led Secondary	Developer of cloud-based patient safety and risk management software
25	SailPoint	USA	Information Technology	Co-Investment; Primary	Provider of enterprise identity governance solutic
26	Tag	Israel	Healthcare	Manager-led Secondary	Provider of medical equipment and implants
27	Krispy Krunchy Chicken	USA	Consumer	Co-Investment ; Primary	Operator of fast food chain stores
28	24 Seven	USA	Industrials	Manager-led Secondary	Digital marketing and recruitment services provic
29	Access	United Kingdom	Information Technology	Co-Investment	Provider of business management software solutions to SMEs
30	101	USA	Industrials	Co-Investment	Provider of food waste recycling services
31	Opt Connect	USA	Information Technology	Manager-led Secondary	Provider of wireless internet connectivity solutio
32	IFS	Sweden	Information Technology	Co-investment; Primary	Developer of enterprise resource planning softw
33	Kilcoy Global Foods	Australia	Consumer	Manager-led Secondary	Producer of beef and other animal protein produc
34	Satlink	Spain	Information Technology	Co-investment	Satellite communication equipment provider for t maritime industry
35	Perspecta	USA	Information Technology	Co-investment	IT services management company
36	Tanium	USA	Information Technology	Co-investment	Cybersecurity services provider
37	Logic Monitor	USA	Information Technology	Primary; Co-Investment; Fund	Managed IT service provider

				Secondary	
38	Flynn	USA	Consumer	Co-investment	Restaurant franchise company
39	Inspire Brands	USA	Consumer	Manager-led Secondary	Restaurant franchise company
40	Imagine360	USA	Healthcare	Manager-led Secondary	Provider of solutions to mitigate health insurance costs for mid-size employers
41	Shawbrook	United Kingdom	Financials	Co-investment	Provides lending and savings financial products
42	Trimech	USA	Information Technology	Co-investment	Provider of 3D design, engineering and manufacturing solutions
43	Medica	United Kingdom	Healthcare	Co-investment	Provides teleradiology reporting services to publi and private health organisations
44	SVT	Germany	Industrials	Manager-led Secondary	Manufacturer of fire protection products and systems
45	Sonar	Switzerland	Information Technology	Primary; Fund Secondary	Developer of coding software
46	KD Pharma	Germany	Healthcare	Manager-led Secondary	Contract Development and Manufacturing Organisation
47	Olink	Sweden	Healthcare	Co-investment	Develops products and services for human prote biomarker discovery
48	Arnott	USA	Consumer	Co-investment; Fund Secondary	Manufactures air suspension products and accessories for trucks and vehicles
49	Vizrt	Norway	Information Technology	Primary; Manager-led Secondary	Developer of content production tools for the dig media industry
50	Regina Maria	Romania	Healthcare	Manager-led Secondary	Provides private healthcare services

Coverage of PIP's private equity asset value

[1] The largest 50 companies table is based upon underlying company valuations at 31 March 2024 adjusted for known call and distributions to 31 May 2024, and includes the portion of the reference portfolio attributable to the ALN.

The Largest 50 Managers by Value

Rank	Manager	Region[1]	Stage	% of total private equity asset value[2]
1	Insight Partners	USA	Growth	7.1%
2	Index Ventures	Global	Venture, Growth	3.6%
3	Hg	Europe	Buyout	3.6%
4	Providence Equity Partners	USA	Buyout	3.1%
5	Parthenon Capital	USA	Buyout	2.5%
6	Water Street	USA	Buyout	2.4%
7	IK Partners	Europe	Buyout	2.4%
8	Advent International	Global	Buyout	2.4%
9	ABRY Partners	USA	Buyout	2.0%
10	Thomabravo	USA	Buyout	1.9%
11	MidEuropa	Europe	Buyout	1.5%
12	Seven2 (previously Apax Partners SAS)	Europe	Buyout	1.5%
13	Charlesbank	USA	Buyout	1.4%
14	Altamont Capital Partners	USA	Buyout	1.4%
15	3i Group	Europe	Buyout	1.3%
16	Searchlight Capital Partners	Global	Special Situations	1.3%
17	LYFE Capital	Asia	Growth	1.3%
18	Veritas Capital	USA	Buyout	1.3%
19	Deutsche Private Equity	Europe	Buyout	1.2%
20	Baring Private Equity Asia	Global	Growth	1.2%
21	Heilman & Friedman Capital	Global	Buyout	1.2%
22	Altor Capital	Europe	Buyout	1.1%
23	HIG Capital	USA	Buyout	1.1%
24	Main Post Partners	USA	Buyout	1.1%
25	Apollo Advisors	Global	Buyout	1.1%
26	Oak HC/FT Associates	USA	Growth	1.1%
27	Linden Capital Partners	USA	Buyout	1.0%
28	Apheon (Previously Ergon Capital)	Europe	Buyout	1.0%
29	Growth fund[3]	USA	Growth	1.0%
30	ECI Partners	Europe	Buyout	1.0%
31	Five Arrows	Europe	Buyout	1.0%
32	Morgan Stanley Capital Partners	USA	Buyout	0.9%
33	Lorient Capital	USA	Buyout	0.9%
34	PAI Partners	Europe	Buyout	0.9%
35	ONEX	USA	Buyout	0.9%
36	The Energy & Minerals Group	USA	Special Situations	0.9%
37	NMS Management	USA	Buyout	0.8%
38	Balderton Capital	Europe	Growth	0.8%
39	Calera Capital	USA	Buyout	0.8%
40	Shamrock Capital	USA	Growth	0.8%
41	Francisco Partners	USA	Buyout	0.8%
42	Alpine Investors	USA	Buyout	0.8%
43	Chequers Capital.	Europe	Buyout	0.8%
44	BC Partners	Global	Buyout	0.8%
45	Magnum Industrial Partners	Europe	Buyout	0.8%

46	Sentinel Capital Partners	USA	Buyout	0.7%
47	Knox Lane	USA	Buyout	0.7%
48	Stone Goff Partners	USA	Buyout	0.7%
49	Roark Capital Group	USA	Buyout	0.6%
50	Tene Capital	Europe	Growth	0.6%
Coverage of PIP's private equity asset value				**71.1%**

[1] Refers to the regional exposure of funds.

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

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

THE DIRECTORS

The Directors in office at the date of this report are:

John Singer CBE* (Chairman)
Mary Ann Sieghart* (Senior Independent Director)
David Melvin* (Audit Committee Chairman)
John Burgess*
Dame Susan Owen DCB*
Zoe Clements*
Rahul Welde*

** Independent of the Manager*

EXTRACTS FROM THE DIRECTORS' REPORT

Share capital
The rights attaching to the Company's shares are set out in the Company's Articles of Association. Further details can be found in Note 17 of the financial statements.

Authorities given to the Directors at the AGM on 19 October 2023 to allot shares, disapply statutory pre-emption rights and buy back shares will expire at the forthcoming AGM. In order to take advantage of the investment opportunity offered by the discount to NAV on the shares, during the year to 31 May 2024, 64,279,846 shares, representing 12.1% of the called-up share capital and a nominal value of £4,306,749.68, were bought back for an aggregate amount of £169,702,929 (excluding costs and stamp duty) and subsequently cancelled. As at 31 May 2024, authority to buy back a further 67,002,984 shares remained.

As at 31 May 2024, the Company had shares in issue as shown in the table below, all of which were listed on the official list maintained by the Financial Conduct Authority ("FCA") and admitted to trading on the London Stock Exchange. No shares were held in Treasury at the year end or as at the date of this Report. The number of shares in issue and the voting rights as at the date of this report are 464,321,308 .

	As at the date of this Report	As at 31 May 2024	As at 31 May 2023
Number of ordinary shares of 6.7p each in issue	464,321,308	465,613,611	529,893,457
Voting rights attached to each share	1	1	1
Number of shares held in Treasury	-	-	-
Total voting rights	464,321,308	465,613,611	529,893,457

Going Concern
The Company's business activities, together with the factors likely to affect its future development, performance and financial position, are set out in the Strategic Report and Manager's Review.

The Directors have made an assessment of going concern, taking into account the Company's current performance and financial position as at 31 May 2024. In addition, the Directors have assessed the outlook, which considers the potential further impact of ongoing international conflicts and election cycles which have brought about increased geopolitical uncertainties including the disruption to the global supply chain and increases in the cost of living as a result, persistent inflation, high interest rates and the impact of climate change on PIP's portfolio using the information available as at the date of issue of these financial statements.

The Directors have also considered the Company's position with reference to its Investment Trust structure, its business model, its business objectives, the principal risks and uncertainties as detailed in the full Annual Report and its present and projected financial position. The Directors have considered the impact of the Company's Capital Allocation Policy in regards to share buybacks. As part of the overall assessment, the Directors have taken into account the Manager's culture, which emphasises collaboration and accountability, the Manager's conservative approach to balance sheet management, and its emphasis on investing with underlying private equity managers that are focused on market outperformance.

At each Board meeting, the Directors review the Company's latest management accounts and other financial information. The Company's commitments to private equity investments are reviewed, together with its financial resources, including cash held and its borrowing capability. One-year cash flow scenarios are also presented and discussed at each meeting.

PIP's Balance Sheet is managed to ensure that the Company can finance its undrawn commitments, which are carefully controlled relative to its assets and available liquidity. This disciplined approach enables the Company to withstand periods of volatility such as those experienced as a result of the ongoing international conflicts and periods of historically low exit and distribution levels.

The Directors have considered downside liquidity modelling scenarios with varying degrees of decline in investment valuations, decreased investment distributions, and increased call rates, with the worst being an extreme downside scenario representing an impact to the portfolio that is worse than that experienced during the 2008-2009 global financial crisis.

In the event of a downside scenario, PIP can take steps to limit or mitigate the impact on the Balance Sheet, namely drawing on the credit facility and pausing new commitments. In addition, subject to the prevailing market environment, it could raise additional credit or capital, and sell assets to increase liquidity and reduce outstanding commitments.

After due consideration of the Balance Sheet, activities of the Company, its assets, liabilities, commitments and financial resources, the Directors have concluded that the Company has adequate resources to continue in operation for at least 12 months from the approval of the financial statements for the year ended 31 May 2024. For this reason, they consider it appropriate to continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations in accordance with FRS102. Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company as at the end of each financial year and of the profit or loss of the Company for that period.

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

- Present a true and fair view of the financial position, financial performance and cash flows of the Company;
- Select suitable accounting policies in accordance with United Kingdom GAAP and then apply them consistently;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for preparing the Strategic Report, the Directors' Report, the Directors' Remuneration Report, the Corporate Governance Statement and the Report of the Audit Committee in accordance with the Companies Act 2006 and applicable regulations, including the requirements of the Listing Rules and the Disclosure Guidance and Transparency Rules. The Directors have delegated responsibility to the Manager for the maintenance and integrity of the Company's corporate and financial information included on the Company's website (www.piplc.com). Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names are listed above, confirms that to the best of their knowledge:

- The financial statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- The management report, which is incorporated in the Directors' Report and Strategic Report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The UK Corporate Governance Code requires Directors to ensure that the Annual Report and financial statements are fair, balanced and understandable. In order to reach a conclusion on this matter, the Board has requested that the Audit Committee advises on whether it considers that the Annual Report and financial statements fulfil these requirements. The process by which the Audit Committee has reached these conclusions is set in the full Annual Report. As a result, the Board has concluded that the Annual Report and financial statements for the year ended 31 May 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Signed on behalf of the Board by

John Singer CBE
Chair
31 July 2024

NON-STATUTORY ACCOUNTS

The financial information set out below does not constitute the Company's statutory accounts for the year ended 31 May 2024 and period ended 31 May 2023 but is derived from those accounts. Statutory accounts for 2023 have been delivered to the Registrar of Companies, and those for 2024 will be delivered in due course. The Auditors have reported on those accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the Auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006. The text of the Auditors' report can be found in the Company's full Annual Report and financial statements at www.piplc.com.

INCOME STATEMENT
Year ended 31 May 2024

		Year ended 31 May 2024			Year ended 31 May 2023		
	Note	**Revenue £'000**	**Capital £'000**	**Total[1] £'000**	Revenue £'000	Capital £'000	Total[1] £'000
Gains on investments at fair value through profit or loss	9b	-	60,234	60,324	-	50,885	50,885
(Losses)/gains on financial instruments at fair value through profit or loss - ALN		(675)	(2,745)	(3,420)	(856)	4,240	3,384
Currency gains on cash and cash equivalents	18	-	5,491	5,491	-	9,179	9,179
Investment income	2	16,534	-	16,534	18,084	-	18,084
Investment management fees	3	(25,674)	-	(25,674)	(27,707)	-	(27,707)
Other expenses	4	(2,148)	(3,374)	(5,522)	(2,059)	(1,625)	(3,684)
Return before financing and taxation		(11,963)	59,696	47,733	(12,538)	62,679	50,141
Interest payable and similar expenses	6	(13,051)	-	(13,051)	(6,366)	-	(6,366)
Return before taxation		(25,014)	59,696	34,682	(18,904)	62,679	43,775
Taxation paid	7	(3,033)	-	(3,033)	(1,494)	-	(1,494)
Return for the year, being total comprehensive income for the year		(28,047)	59,696	31,649	(20,398)	62,679	42,281
Return per ordinary share	8	(5.68)p	12.08p	6.40p	(3.83)p	11.77p	7.94p

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

All revenue and capital items in the above statement relate to continuing operations. No operations were acquired or discounted during the period.

The Notes below form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Year ended 31 May 2024

	Note	**Share capital £'000**	**Share premium £'000**	**Capital redemption reserve £'000**	**Other capital reserve £'000**	**Ca reserv investm £**
Movement for the year ended 31 May 2024						
Opening equity shareholders' funds		35,503	269,535	4,062	1,620,532	65
Return for the year		-	-	-	70,382	(10
Ordinary shares bought back for cancellation in the market*	17	(1,012)	-	1,012	(47,030)	
Ordinary shares bought back for cancellation via Tender Offer*	17	(3,295)	-	3,295	(151,050)	
Closing equity shareholders' funds		31,196	269,535	8,369	1,492,834	64
Movement for the year ended 31 May 2023						
Opening equity shareholders' funds		36,012	269,535	3,553	1,556,346	67
Return for the year		-	-	-	83,859	(21
Ordinary shares bought back for cancellation in the market*	17	(509)	-	509	(19,673)	
Closing equity shareholders' funds		35,503	269,535	4,062	1,620,532	65

* The value of ordinary shares bought back include any associated fees and stamp duty.

The Notes below form part of these financial statements.

BALANCE SHEET
As at 31 May 2024

	Note	**31 May 2024 £'000**	**31 May 2023 £'000**

Fixed assets			
Investments at fair value	9a/b	2,498,505	2,417,620
Current assets			
Debtors	11	2,487	2,347
Cash and cash equivalents	12	21,863	66,043
		24,350	68,390
Creditors: Amounts falling due within one year			
Bank loan (expiry October 2024)	14	(83,261)	-
Other creditors	13	(7,752)	(4,617)
		(91,013)	(4,617)
Net current (liabilities)/assets		(66,663)	63,773
Total assets less current liabilities		2,431,842	2,481,393
Creditors: Amounts falling due after one year			
Asset Linked Loan	15	(30,378)	(31,321)
Private Placement loan notes	16	(117,823)	-
		(148,201)	(31,321)
Net assets		2,283,641	2,450,072
Capital and reserves			
Called-up share capital	17	31,196	35,503
Share premium	18	269,535	269,535
Capital redemption reserve	18	8,369	4,062
Other capital reserve	18	1,492,834	1,620,532
Capital reserve on investments held	18	643,009	653,695
Revenue reserve	18	(161,302)	(133,255)
Total equity shareholders' funds		2,283,641	2,450,072
Net asset value per ordinary share	19	490.46p	462.37p

The financial statements were approved by the Board of Pantheon International Plc on 31 July 2024 and were authorised for issue by

John Singer CBE
Chair
Company No. 214798

CASH FLOW STATEMENT
Year ended 31 May 2024

	Note	Year ended 31 May 2024 £'000	Year 31 May
Cash flow from operating activities			
Investment income received - comprising:			
- Dividend income		12,975	
- Interest income		2,815	
- Other investment income		86	
Deposit and other interest received		669	
Investment management fees paid		(25,639)	(2
Secretarial fees paid		(464)	
Depositary fees paid		(236)	
Directors' fees paid		(343)	
Legal and professional fees paid		(1,208)	
Capitalised project related legal costs		(2,497)	
Other cash payments[1]		(1,079)	
Withholding tax deducted		(2,933)	
Net cash outflow from operating activities	**21**	(17,854)	(1
Cash flows from investing activities			
Purchases of investments[2]		(152,960)	(28
Disposals of investments[2]		131,544	1
Net cash (outflow) from investing activities		(21,416)	(12
Cash flows from financing activities			
ALN repayments		(4,650)	
Ordinary shares bought back for cancellation*		(46,140)	(1
Ordinary shares bought back for cancellation via Tender Offer*		(151,050)	
Drawdown of loan		200,375	
Repayment of loan		(111,903)	
Loan commitment and arrangement fees paid		(5,642)	
Loan interest paid		(4,018)	
Private placement loan note funding		118,274	
Net cash outflow from financing activities		(4,754)	(3
Decrease in cash in the year		(44,024)	(17
Cash and cash equivalents at the beginning of the year		66,043	2
Foreign exchange gains on ash accounts		(156)	
Cash and cash equivalents at the end of the year		21,863	

[1] Includes interest paid during the year of £nil (2023: £22,000).

[2] Purchases and disposals do not include investments actioned by Pantheon International Holdings LP.

* The value of ordinary shares bought back include any associated fees and stamp duty.

The Notes below form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting Policies
PIP is a listed public limited company incorporated in England and Wales. The registered office is detailed in the full Annual Report. A summary of the principal accounting policies and measurement bases, all of which have been applied consistently throughout the year, is set out below.

A. Basis of Preparation
The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 31 May 2024. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The Company's financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£'000) except when indicated otherwise. The investments in the subsidiaries are financial assets, and held at fair value through profit or loss.

The financial statements have been prepared in accordance with the SORP for the financial statements of investment trust companies and venture capital trusts issued by the AIC, other than where restrictions are imposed on the Company which prohibit specific disclosures.

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

The Directors have made an assessment of going concern, taking into account the Company's current performance and financial position as at 31 May 2024. In addition, the Directors have assessed the outlook, which considers the potential further impact of the ongoing international conflicts and election cycles which have brought about increased geopolitical uncertainties including the disruption to the global supply chain and increases in the cost of living as a result, persistent inflation, high interest rates and the impact of climate change on PIP's portfolio using the information available as at the date of issue of these financial statements. As part of this assessment the Directors considered:

- Various downside liquidity modelling scenarios with varying degrees of decline in investment valuations and decreased investment distributions, and increased call rates, with the worst being a downside 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 31 May 2024 stood at £414m (31 May 2023: £554m), comprising £16m (31 May 2023: £63m) in available cash balances and £398m (31 May 2023: £491m) in undrawn, sterling equivalent, bank facilities.
- PIP's 31 May 2024 valuation is primarily based on reported GP valuations with a reference date of 31 March 2024, updated for capital movements and foreign exchange impacts.
- Unfunded commitments - PIP's unfunded commitments at 31 May 2024 were £789m (31 May 2023: £857m). The Directors have considered the maximum level of unfunded commitments which could theoretically be drawn in a 12-month period, the ageing of commitments and available financing to fulfil these commitments. In these scenarios PIP can take steps to limit or mitigate the impact on the Balance Sheet, namely drawing on the credit facility, pausing on new commitments, selling assets to increase liquidity and reducing outstanding commitments if necessary. In addition, subject to market conditions, the Company could also seek to raise additional debt or equity capital.
- The impact of share buybacks and the Company's Capital Allocation Policy on available liquidity.
- Tenure of credit facilities - A £100m equivalent tranche of the facility expires in October 2024 and will be repaid with cash or drawings from the other existing loan.
- The Directors also considered the impact of climate change on PIP's portfolio and concluded that there was no significant impact on the Company as a result of climate change.

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

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

D. Valuation of Investments

Given the nature of the Company's assets which comprise predominantly unlisted fund investments, while the Company operates a robust and consistent valuation process, there is significant estimation uncertainty in the underlying fund valuations which are estimated at a point in time. Accordingly, while the Company considers circumstances where it might be appropriate to apply an override, for instance in response to a market crash, this will be exercised only where it is judged necessary to reflect fair value.

Similarly, while relevant information relating to but received after the measurement date is considered, the Directors will only consider an adjustment to the financial statements if it were to have a significant impact and is indicative of conditions present at the measurement date.

The Company has fully adopted sections 11 and 12 of FRS 102. All investments held by the Company are classified as "fair value through profit or loss". As the Company's business is investing in financial assets with a view to profiting from their total return in the form of interest, dividends or increases in fair value, investments are recognised at fair value on initial recognition.

The Company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy. For investments actively traded in organised financial markets, fair value is generally determined by reference to stock exchange quoted market bid prices at the close of business at the Balance Sheet date. For investments that are not actively traded in organised financial markets, fair value is determined using reliable valuation techniques as described below:

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 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 further 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 who are also invested in the Company.

The Company holds an investment in its subsidiary, Pantheon International Holdings LP ("PIH LP"), which itself holds a basket of investments held at fair value. The fair value of PIH LP is based on its latest net asset value.

ii Quoted investments are valued at the bid price on the relevant stock exchange.
Private equity funds may contain a proportion of quoted shares from time to time; for example where the underlying company investments have been taken public but the holdings have not yet been sold. The quoted market holdings at the date of the latest fund accounts are reviewed and adjusted to the published prices of those holdings at the period end.

E. Asset Linked Note
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 flows from a reference portfolio which consists of interests held by the Company in over 300 of its oldest private equity funds, substantially 2006 and earlier vintages. The Company retains the net cash flows relating to the remaining c.25% of the reference portfolio.

The ALN is held at fair value through profit or loss and therefore movements in fair value are reflected in the Income Statement. 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 fair value movement is allocated between revenue and capital pro rata to the fair value gains and income-generated movements in the reference portfolio.

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 through the revenue account in the Income Statement.

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

See Note 15 for further information.

F. Income
Dividends receivable on quoted equity shares are brought into account on the ex-dividend date.

Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Company's right to receive payment is established. The fixed return on a debt security is recognised on a time apportionment basis.

Income distributions from funds are recognised when the right to distributions is established.

G. Taxation
Corporation tax payable is based on the taxable profit for the period. The charge for taxation takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen but not reversed by the Balance Sheet date.

The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue on the same basis as the particular item to which it relates, using the marginal method.

Dividends receivable are recognised at an amount that may include withholding tax (but excludes other taxes, such as attributable tax credits). Any withholding tax suffered is shown as part of the revenue account tax charge.

Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the Company meets (and intends to continue for the foreseeable future to meet) the conditions for approval as an investment trust company, pursuant to sections 1158 and 1159 of the CTA.

Deferred tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of timing differences can be deducted.

H. Expenses
All expenses are accounted for on an accruals basis. Expenses, including investment management fees, are charged through the revenue account except as follows:
- Expenses which are incidental to the acquisition or disposal of an investment are treated as capital costs and separately identified and disclosed in Note 4;
- Expenses of a capital nature are accounted for through the capital account; and
- Investment performance fees.

I. Foreign Currency
The functional and presentational currency of the Company is pounds sterling ("sterling") because it is the primary currency in the economic environment in which the Company operates. Transactions denominated in foreign currencies are recorded in the local currency at actual exchange rates as at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the period end are reported at the rates of exchange prevailing at the period end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the revenue or capital column of the Income Statement depending on whether the gain or loss is of a capital or revenue nature. For non-monetary assets, these are covered by fair value adjustments. For details of transactions included in the capital column of the Income Statement please see (J) and (K) below.

J. Other Capital Reserve
The following are accounted for in this reserve:
- Investment performance fees;
- Gains and losses on the realisation of investments;
- Realised exchange difference of a capital nature;
- Expenses of a capital nature; and
- Costs of share buybacks.

Capital distributions received from investments are accounted for by firstly reducing any cost of that investment, with any gains being recognised as realised only when the cost has been reduced to nil.

K. Capital Reserve on Investments Held
The following are accounted for in this reserve:
- Increases and decreases in the value of investments held at the year end and the ALN.

L. Investment 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. The performance fee payable in respect of each such calculation period is 5% of the amount by which the net asset value at the end of such period exceeds 110% of the applicable "high-water mark", i.e. the net asset value 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 calculation period ended 31 May 2024, the notional performance fee hurdle is a net asset value per share of 594.9p.

The performance fee is calculated using the adjusted net asset value. The net asset value per share at 31 May 2024 is 490.5p.

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 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 and any other reduction in the Company's share capital or any distribution to shareholders.

M. Significant Judgements and Estimates
The preparation of financial statements requires the Manager to make judgements, estimates and assumptions that affect the reported amounts of investments at fair value at the financial reporting date and the reported fair value movements during the reporting period. Actual results may differ from these estimates. Details of how the fair values of unlisted investments are estimated and any associated judgements applied are provided in Section (D) of this Note and also within the Market Price Risk section in Note 23.

N. Derecognition/Recognition of Assets and Liabilities
Financial assets and financial liabilities are recognised on the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. In accordance with FRS102, financial assets are derecognised when the contractual rights to the cash flows from the instrument expire or the asset is transferred, and the transfer qualifies for derecognition. Financial liabilities are derecognised when the obligation is discharged, extinguished, or expired.

O. Cash and Cash Equivalents
Cash and cash equivalents include cash deposits held with banks and money market funds, together with other short-term highly liquid investments with original maturities of three months or less at the date of placement, free of any encumbrances, which are readily convertible into known amounts of cash and subject to insignificant risk of changes in value. The Manager uses money market funds for cash management purposes.

2. Income

	31 May 2024 £'000	31 May 2023 £'000
Income from investments		
Investment income (comprising dividend income, interest income and other investment income)	15,882	17,292
	15,882	17,292
Other income		
Interest	643	784
Expense rebate	11	-
Exchange difference on income	(2)	8
	652	792
Total income	16,534	18,084
Total income comprises		
Dividend income	12,981	12,325
Interest income	2,815	4,756
Other investment income	86	211
Bank interest	172	767
Money market fund interest	471	17
Money market fund expense rebate	11	-
Exchange difference on income	(2)	8
Total income	16,534	18,084
Analysis of income from investments		
Unlisted	15,882	17,292
	15,882	17,292
Geographical analysis		
UK	359	1,055
US	12,035	9,243
Other overseas	3,488	6,994
	15,882	17,292

3. Investment Management Fees

		31 May 2024			31 May 2023	
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fees	25,674	-	25,674	27,707	-	27,707
	25,674	-	25,674	27,707	-	27,707

The investment management fee is payable monthly in arrears at the rate set out in the Directors' Report within the full Annual Report.

During the year, investment management services with a total value of £28,501,000 (period to 31 May 2023: £29,010,000), being £25,674,000 (period to 31 May 2023: £27,707,000) directly from Pantheon Ventures (UK) LLP and £2,827,000 (period to 31 May 2023:£1,303,000) via Pantheon managed fund investments were purchased by the Company.

The value of investments, in and outstanding commitments to, investment funds managed or advised by the Pantheon Group ("Pantheon Funds") are excluded in calculating the monthly management fee and the commitment fee. The value of holdings in investments managed by the Pantheon Group totalled £1,235,005,000 as at 31 May 2024 (31 May 2023: £1,131,118,000), including £1,082,057,000 from the Pantheon managed Pantheon International Holdings subsidiaries (31 May 2023: £995,669,000). Please see Note 20 below for further details.

In addition, the Manager has agreed that the total fees (including performance fees) payable by Pantheon Funds to members of the Pantheon Group and attributable to the Company's investments in Pantheon Funds shall be less than the total fees (excluding the performance fee) that the Company would have been charged under the Management Agreement had it invested directly in all of the underlying investments of the relevant Pantheon Funds instead of the relevant Pantheon Funds instead of through the relevant Pantheon Funds.

At 31 May 2024, £2,280,000 (31 May 2023: £2,245,000) was owed for investment management fees. No performance fee is payable in respect of the year to 31 May 2024 (31 May 2023: £nil). The basis upon which the performance fee is calculated is explained in Note 1 (L) and in the Directors' Report within the full Annual Report.

4. Other Expenses

		31 May 2024			31 May 2023	
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Secretarial and accountancy services	474	-	474	353	-	353
Depositary fees	258	-	258	280	-	280
Custodian	20	-	20	16	-	16
Fees payable to the Company's Auditor for the						
- audit of the annual financial statements	149	-	149	146	-	146

Fees payable to the Company's Auditor for						
- audit-related assurance services -Half-Yearly report	46	-	46	44	-	44
Directors' remuneration (see Note 5)	360	-	360	291	-	291
Employer's National Insurance	27		27	42	-	42
Irrecoverable VAT	-	-	-	(5)	-	(5)
Legal and professional fees[1]	404	877	1281	547	1,625	2,172
Project related costs	-	2,497	2,497	-		
Other[2]	872	-	872	831	-	831
ALN Expense Charge (see Note 1 (E))[3]	(462)	-	(462)	(486)	-	(486)
	2,148	3,374	5,552	2,059	1,625	3,684

[1] Legal fees incidental to the acquisition of investments and project related costs are charged to the Capital column of the Income Statement since they are capital in nature. Project related costs consist of legal expenses incurred in relation to the Share buyback tender offer and the loan note financing.

[2] Other expenses predominantly comprise fees and expenses relating to printing, public relations, Stock Exchange listing, FCA fees, AIC Levy and share price publications.

[3] A pro rata share of the Company's total ongoing charges is allocated to the ALN, reducing each quarterly payment.

The Directors do not consider that the provision of non-audit work to the Company affects the independence of the Auditors due to the half year review being an assurance service.

5. Directors' Remuneration

Directors' emoluments comprise Directors' fees. A breakdown is provided in the Directors' Remuneration Report in the full Annual Report.

6. Interest Payable and Similar Expenses

	31 May 2024 £'000	31 May 2023 £'000
Negative bank interest	-.	22
Loan commitment and arrangement fees	6,346	6.344
Loan Interest	4,154	-
Loan commitment and arrangement fees	2,551	-
	13,051	6,366

On 19 October 2023, the Company announced that it has agreed a new £500m equivalent multi-tranche, multi-currency revolving credit facility agreement (the "Loan Facility"), which on 20 October 2023, replaced the existing £500m equivalent credit facility and Credit Suisse AG London Branch as a Lender. There are five Lenders of the new facility being Lloyds Bank plc, Mizuho, RBC Europe, Royal Bank of Scotland and State Street. Further details of the Loan Facility are disclosed in Note 14.

On 12 January 2024, the Company agreed a Private Placement of US$150m in loan notes with proceeds being received on 1 February 2024. The loan notes have been structured over different maturities of five, seven and ten years with varying coupon rates, further details are disclosed in Note 16.

7. Taxation

			31 May 2024		3
	Revenue £'000	**Capital £'000**	**Total £'000**	Revenue £'000	Capital £'000
Withholding tax deducted from distributions	**3,033**	-	**3,033**	1,494	-
Tax charge					
The standard rate of corporation tax in the UK of 19% to 31 March 2023 rising to 25% from 1 April 2023, giving a weighted average year ended 31 May 2024 of 25% (year ended 31 May 2023: 20%).					
The differences are explained below:					
Net return before tax	**(25,014)**	**59,696**	**34,682**	(18,904)	62,679
Theoretical tax at UK corporation tax rate of 25% (31 May 2023: 20%)	**(6,254)**	**14,924**	**8,670**	(3,781)	12,536
Non-taxable investment, derivative and currency gains	**-**	**(15,143)**	**(15,143)**	-	(12,845)
Effect of expenses in excess of taxable income	**-**	**219**	**219**	-	309
Carry forward management expenses	**6,254**	**-**	**6,254**	3,781	-
Withholding tax deducted from distributions	**3,033**	**-**	**3,033**	1,494	-
	3.033	**-**	**3,033**	1,494	-

The tax charge for the year ended 31 May 2024 is £3.0m (31 May 2023: £1.5m). The tax charge is wholly comprised of irrecoverable withholding tax suffered. Investment gains are exempt from capital gains tax owing to the Company's status as an investment trust.

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

Factors That May Affect Future Tax Charges

The Company is an investment trust and therefore is not subject to tax on capital gains. Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the

Company meets (and intends to meet for the foreseeable future) the conditions for approval as an investment trust company.

No deferred tax asset has been recognised in respect of excess management expenses and expenses in excess of taxable income as they will only be recoverable to the extent that there is sufficient future taxable revenue. As at 31 May 2024, excess management expenses are estimated to be in excess of £359m (31 May 2023: £330m).

At 31 May 2024, the Company had no unprovided deferred tax liabilities (31 May 2023: £nil).

8. Return per Ordinary Share

			31 May 2024			31 May 2023
	Revenue £'000	**Capital £'000**	**Total £'000**	Revenue £'000	Capital £'000	Total £'000
Return for the financial period in £'000	(28,047)	59,696	31,649	(20,398)	62,679	42,281
Weighted average ordinary shares			494,296,359			532,707,383
Return per ordinary share	(5.68)p	12.08p	6.40p	(3.83)p	11.77p	7.94p

There are no dilutive or potentially dilutive shares in issue.

9a. Movements on Investments

	31 May 2024 £'000	31 May 2023 £'000
Book cost brought forward	1,734,850	1,530,419
Opening unrealised appreciation on investments held		
-Unlisted investments	682,437	706,707
-Listed investments	333	1,482
Valuation of investments brought forward	2,417,620	2,238,608
Movements in year:		
Acquisitions at cost	152,960	289,020
Capital distributions - proceeds	(132,396)	(160,891)[1]
Capital distributions - realised gains on sales	68,262	76,302[1]
Increase in appreciation on investments held	(7,941)	(25,419)
Valuation of investments at year end	2,498,505	2,417,620
Book cost at year end	1,823,676	1,734,850
Closing unrealised appreciation on investments held		
-Unlisted investments	673,924	682,437
-Listed investments	905	333
Valuation of investments at year end	2,498,505	2,417,620
Fair value of investments:		
Unlisted investments	2,495,920	2,415,800
Listed investments	2,585	1,820
Valuation of investments at year end	2,498,505	2,417,620

[1] On 1 October 2022, the Company transferred one investment, at a fair value of £3.10m, to its wholly-owned subsidiary Pantheon International Holdings LP, in return for a 99% investment in Pantheon International Holdings LP, being £3.07m and the remaining 1% in Pantheon International Holdings GPLP, being £0.03m

Further details in relation to the subsidiaries are included in Note 20.

9b. Analysis of Investments

Further analysis of the investment portfolio is provided in the Manager's Review in the full Annual Report.

The Company received £132,396,000 (2023: £160,891,000) from investments sold during the year. The book cost of these investments when they were purchased was £64,134,000 (2023: £84,589,000). These investments have been revalued over time until such time they were sold and up until that point, any unrealised gains or losses were included in the fair value of the investments.

Transaction costs (incurred at the point of the transaction) incidental to the acquisition of investments totalled £nil (31 May 2023: £nil) and to the disposals of investments totalled £5,000 (31 May 2023: £7,000) for the period. In addition, legal fees incidental to the acquisition of investments totalled £877,000 (31 May 2023: £1,625,000), as disclosed in Note 4, have been taken to the Capital column in the Income Statement since they are capital in nature.

Included in investment are also investments that the Company holds in its subsidiaries. Please see Note 20 below for further details.

Gains on investment per income statement	**31 May 2024 £'000**	**31 May 2023 £'000**
Realised gains on sales	68,262	76,302
Amounts previously recognised as unrealised appreciation on those sales	333	1,482
Decrease in unrealised appreciation	(8,274)	(26,902)
Revaluation of amounts owed in respect of transactions	3	3
Gains on investments	60,324	50,885

Currency analysis of investment valuation		31 May 2023 £'000
Sterling		
Unlisted investments	1,126,722	1,042,249
	1,126,722	1,042,249
US dollar		
Unlisted investments	1,102,043	1,116,006
Listed investments	2,246	1,820
	1,104,289	1,117,826
Euro		
Unlisted investments	244,243	230,424
	244,243	230,424
Other		
Unlisted investments	22,912	27,121
Listed investments	339	-
	23,251	27,121
Total valuation of investments	2,498,505	2,417,620

9c. Material Investment

At the year end, the Company held no material holdings in any underlying company which exceeded 3% and funds which exceeded 10% of any class of capital.

10. 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, but do not include listed holdings held indirectly through the Company's underlying private equity managers which are classified under Level 3 holdings;

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.

Financial Assets at Fair Value Through Profit or Loss at 31 May 2024

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Unlisted holdings	-	-	2,495.920	2,495.920
Listed holdings	2,585	-	-	2,585
			2,495,920	2,498,505

Financial Assets at Fair Value Through Profit or Loss at 31 May 2023

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Unlisted holdings	-	-	2,415,800	2,415,800
Listed holdings	1,820	-	-	1,820
	1,820	-	2,415,800	2,417,620

Financial Liabilities at Fair Value Through Profit or Loss at 31 May 2024

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

Financial Liabilities at Fair Value Through Profit or Loss at 31 May 2023

	Level 1 £'000	**Level 2 £'000**	**Level 3 £'000**	**Total £'000**
Asset Linked Note	-	-	32,520	32,520
	-	-	32,520	32,520

11. Debtors

	31 May 2024 £'000	**31 May 2023 £'000**
Amounts receivable from investment funds	1,131	290
Accrued interest	-	17
Prepayments	1,356	2,040
	2,487	2,347

12. Cash and Cash Equivalents

	31 May 2024 £'000	**31 May 2023 £'000**
Cash at bank	21,863	49,906
Cash equivalents	-	16,137
	21,863	66,043

As at 31 May 2024, Cash equivalents of £nil were held in a USD money market fund (2023: £16,137,000).

13. Creditors Amounts Falling Due Within One Year

	31 May 2024 £'000	31 May 2023 £'000
Investment management fees	2,280	2,245
Amounts owed in respect of share buybacks and trades	1,003	-
ALN repayment to the Investor	437	1,199
Private Placement loan note coupon interest	2,551	-
Other creditors and accruals	1,481	1,173
	7,752	4,617

14. Bank Loan

	31 May 2024 £'000	31 May 2023 £'000
Short term		
Tranche B (USD) $122,000,000 (£100,000,000) Expiry October 2024	83,261	-
Long term		
Tranche A1 (USD) $365,700,000 (£300,000,000) Expiry October 2026	-	-
Tranche A2 (EUR) Eur115,700,000 (£100,000,000) Expiry October 2026	-	-
	83,261	-

On 19 October 2023, the Company announced that it has agreed a new £500m equivalent multi-tranche, multi-currency revolving credit facility agreement (the "Loan Facility"), which on 20 October 2023, replaced the existing £500m equivalent credit facility and Credit Suisse AG London Branch as a Lender. There are five Lenders of the new facility being Lloyds Bank plc, Mizuho, RBC Europe, Royal Bank of Scotland and State Street. The new Loan Facility, which is secured by certain assets of the Company and is split as follows:

- Facility A: £400m, expiring in October 2026 with an ongoing option to extend, by agreement, the maturity date by 364 days at a time; and
- Facility B: £100m, expiring in October 2024.

The Company has sought to build a long-term, sustainable, more flexible, and diverse capital structure as part of this process, further strengthening the Company's balance sheet. The structure permits Facility A to be increased from £400m to £700m via an uncommitted accordion option, subject to the consent of the participating Lenders, with a covenant package that better supports utilisation under the Loan Facility, the announced tender offer and the ongoing share buyback programme.

Depending on the utilisation of the Loan Facility, PIP will pay a commitment fee of between 0.70% and 1.15% per annum on the undrawn portion of the Loan Facility. The rate of interest payable on the drawn portion is the aggregate of the relevant benchmark rate plus 2.95% or 2.25% depending on whether Facility A or B is utilised respectively. See note 23 for details regarding loan covenants.

As at 31 May 2024, the Loan Facility had a sterling equivalent value of £83.3m, all drawn from the short term facility (Facility B).

15. Creditors Amounts Falling Due After One Year - Asset Linked Note

	31 May 2024 £'000	31 May 2023 £'000
Opening value of ALN	32,520	41,374
Repayment of net cashflows received	(4,650)	(5,035)
Fair value movement through profit or loss	3,420	(3,384)
Expense charge and ALN share of withholding taxes	(475)	(435)
Closing value of ALN (see Note 1(E))	30,815	32,520
Transfer to creditors due within one year	(437)	(1,199)
	30,378	31,321

16. Private Placement Loan Notes

On 12 January 2024, the Company agreed a private placement of US$150m in loan notes with proceeds being received on 1 February 2024. The loan notes have been structured over different maturities of five, seven and 10 years with varying coupon rates, as follows:

	31 May 2024 £'000	31 May 2023 £'000
Tranche A (USD) 6.36%.1 February 2029	41,238	-
Tranche B (USD) 6.53%. 1 February 2031	53,020	-
Tranche C (USD) 6.65%. 1 February 2034	23,565	-
	117,823	-

17. Called-up Share Capital

	31 May 2024 Shares	31 May 2024 £'000	31 May 2023 Shares	31 May 2023 £'000
Allotted, called up and fully paid:				
Ordinary Shares of 6.7p each				
Opening position	529,893,457	35,503	537,493,640	36,012

Ordinary shares bought back for cancellation in the market	(15,099,519)	(1,012)	(7,600,183)	(509)
Ordinary shares bought back for cancellation via Tender Offer	(49,180,327)	(3,295)	-	-
Closing position	465,613,611	31,196	529,893,457	35,503
Total shares in issue	465,613,611	31,196	529,893,457	35,503

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

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

During the year ended 31 May 2024, in addition to the Tender Offer, 15,099,519 ordinary shares were bought back in the market, for cancellation at a total cost, including stamp duty, of £47.0m. During the year ended 31 May 2023, 7,600,183 ordinary shares were bought back for cancellation at a total cost, including stamp duty, of £19.7m.

As a result, there were 465,613,611 ordinary shares in issue as at 31 May 2024 (of which none are held in Treasury; year to 31 May 2023: 529,893,457 ordinary shares and no Treasury shares).

Each holder of ordinary shares is entitled, on a show of hands, to one vote and, on a poll, to one vote for each ordinary share held.

18. Reserves

Movement for the year ended 31 May 2024	**Share premium £'000**	**Capital redemption reserve £'000**	**Other capital reserve £'000**	**Capital reserve on investments held £'000**	**Revenue Reserve[1] £'000**
Beginning of year	269,535	4,062	1,620,532	653,695	(133,255)
Net gain on realisation of investments	-	-	68,262	-	-
Decrease in unrealised appreciation	-	-	-	(10,686)	-
Revaluation of amounts owed in respect of transactions	-	-	3	-	-
Exchange differences on currency	-	-	5,505	-	-
Exchange differences on other capital items	-	-	(14)	-	-
Legal and professional expenses charged to capital	-	-	(1,851)	-	-
Other expenses charged to capital	-	-	(1,523)	-	-
Share buybacks*	-	4,307	(198,080)	-	-
Revenue return for the year	-	-	-	-	(28,047)
End of year	269,535	8,369	1,492,834	643,009	(161,302)

Movement for the year ended 31 May 2023	**Share premium £'000**	**Capital redemption reserve £'000**	**Other capital reserve £'000**	**Capital reserve on investments held £'000**	**Revenue Reserve[1] £'000**
Beginning of year	269,535	3,553	1,556,346	674,875	(112,857)
Net gain on realisation of investments	-	-	76,302	-	-
Decrease in unrealised appreciation	-	-	-	(21,180)	-
Revaluation of amounts owed in respect of transactions	-	-	3	-	-
Exchange differences on currency	-	-	9,210	-	-
Exchange differences on other capital items	-	-	(31)	-	-
Legal and professional expenses charged to capital	-	-	(1,625)	-	-
Share buybacks*	-	509	(19,673)	-	-
Revenue return for the year	-	-	-	-	(20,398)
End of year	269,535	4,062	1,620,532	653,695	(133,255)

[1] Reserves that are distributable by way of dividends. In addition, the Other Capital Reserve can be used for share buybacks.
* The value of ordinary shares bought back include any associated fees and stamp duty.

19. Net Asset Value per Share

	31 May 2024	31 May 2023
Net assets attributable in £'000	2,283,641	2,450,072
Ordinary shares	465,613,611	529,893,457
Net asset value per ordinary share	490.46p	462.37p

20. Subsidiaries

The Company has formed three wholly-owned subsidiaries, to provide security for future financial lending arrangements.

Pantheon International Holdings LP ("PIH LP") was incorporated on 29 March 2021 with a registered address in the State of Delaware (National Registered Agents, Inc., 209 Orange Street, Wilmington, Delaware, 19801), and is wholly-owned by the Company.

The Company holds an investment in PIH LP, which itself holds a basket of investments, rather than to carry out business on the Company's behalf. Investments held within PIH LP are based on the fair value of the investments held in those entities.

On 31 December 2021, the Company transferred several investments, at a fair value of £627.1m, to its wholly-owned subsidiary Pantheon International Holdings LP in order to provide security for the £500m multi-currency facility. On 1 October 2022, the Company transferred one further investment, at a fair value of £3.1m. The investments that were transferred are in addition to PIH LP making its own investments.

The aggregate amount of its capital and reserves as at 31 May 2024 is £1,082,132,000 (2023: £995,928,000) and the profit or loss for the year ended 31 May 2024 is £3,168,000 (2023: £3,491,000).

The General Partner for PIH LP is Pantheon International Holdings GP ("PIH GP") Limited. Incorporated on 17 March 2021 with a registered address c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, and is wholly owned by the Company.

The aggregate amount of its capital and reserves as at 31 May 2024 is £1 (2023: £1) and the profit or loss for the year ended 31 May 2024 is £nil (2023: £nil).

The General Partner and the Limited Partner, formed an exempted limited partnership, named Pantheon International Holdings GP LP ("PIH GP LP"), incorporated on 17 March 2021 with a registered address c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Company holds an investment in PIH GP LP.

Any investments made by the Company into PIH LP, generally invest at 99% directly into PIH LP, with the remaining 1% investing into PIH GP LP. PIH GP LP will then, in turn, wholly invest those funds into PIH LP, so no funds remain in PIH GP LP.

In accordance with FRS 102, the Company is exempted from the requirement to prepare consolidated financial statements on the grounds that its subsidiary PIH LP is held exclusively with a view to a subsequent resale as it is considered part of an investment portfolio and the Company meets the definition of an Investment Entity under FRS. PIH GP LP and PIH GP are not material. Therefore, the Company has no requirement to prepare consolidated accounts, and therefore the subsidiaries noted above are held as investments recognised at fair value through profit or loss.

21. Reconciliation of Return Before Financing Costs and Taxation to Net Cash Flow from Operating Activities

	31 May 2024 £'000	31 May 2023 £'000
Return before finance costs and taxation	47,733	50,141
Withholding tax deducted	(3,033)	(1,494)
Gains on investments	(60,324)	(50,885)
Currency gains on cash and borrowings	(5,491)	(9,179)
Increase in creditors	205	394
Decrease/(increase) in other debtors	111	(147)
Gain/(reduction) of financial liabilities at fair value through profit or loss (ALN)	3,420	(3,384)
Expenses and taxation associated with the ALN	(475)	(435)
Net cash outflow from operating activities	(17,854)	(14,989)

Reconciliation net cash/(debt)

Reconciliation of net cash flow to movement in net debt	**31 May 2024 £'000**
Decrease in cash	(44,024)
Net cash inflow from loans	(88,471)
Cash inflow from private placement loan notes	(118,274)
Change in net debt resulting from cash flows	(250,769)
Foreign exchange movements	5,505
Movement in net debt	(245,264)
Net cash at 1 June 2023	66,043
Net debt at 31 May 2024	(179,221)

Analysis in changes in net cash/(debt)

	1 June 2023 £'000	**Cash flows £'000**	**Foreign exchange**	**31 May 2024 £'000**

			movements £'000	
Cash and cash equivalents	66,043	(44,024)	(156)	21,863
Debt due within one year				
- Bank loan	-	(88,471)	5,210	(83,261)
Debt due after more than one year				
- Private placement loan notes	-	(118,274)	451	(117,823)
Net cash/(debt)	66,043	(250,769)	5,505	(179,221)

22. Contingencies, Guarantees and Financial Commitments
At 31 May 2024, there were financial commitments outstanding of £789m (31 May 2023: £857m) in respect of investments in partly paid shares and interests in private equity funds.

We expect 18% of the financial commitments outstanding to be called within the next 12 months.

Further detail of the available finance cover is provided in Note 23.

23. Analysis of Financial Assets and Liabilities

The primary investment objective of the Company is to seek to maximise long-term capital growth for its shareholders by investing in funds specialising in unquoted investments, acquiring unquoted portfolios and participating directly in private placements. Investments are not restricted to a single market but are made when the opportunity arises and on an international basis.

The Company's financial instruments comprise securities and other investments, cash balances and debtors and creditors that arise from its operations, for example sales and purchases awaiting settlement and debtors for accrued income.

The principal risks the Company faces in its portfolio management activities are:
- liquidity/marketability risk;
- interest rate risk;
- market price risk; and
- foreign currency risk.

The Manager only holds cash at banks with high credit ratings, therefore the Company has little exposure to credit risk. The Manager monitors the financial risks affecting the Company on a daily basis and the Directors regularly receive financial information, which is used to identify and monitor risk.

In accordance with FRS 102 an analysis of financial assets and liabilities, which identifies the risk to the Company of holding such items, is shown further on in this Note.

Liquidity Risk
Due to the nature of the Company's investment policy, the largest proportion of the portfolio is invested in unquoted securities, many of which are less readily marketable than, for example, "blue-chip" UK equities. The Directors believe that the Company, as a closed-end fund with no fixed wind-up date, is ideally suited to making long-term investments in instruments with limited marketability. The investments in unquoted securities are monitored by the Board on a regular basis.

There are times when opportunities for the Company to acquire secondary unquoted portfolios of interests or co-investments may be limited due to the cyclical nature of their occurrence. As a result, at times of low investment opportunity, some funds may be held on deposit or invested in gilts and other fixed interest government bonds. It is the nature of investment in private equity that a commitment (see Note 22 for outstanding commitments as at 31 May 2024) to invest will be made and that calls for payments will then be received from the unlisted investee entity. These payments are usually on an ad-hoc basis and may be called at any instance over a number of years. The Company's ability to meet these commitments is dependent on it receiving cash distributions from its private equity investments and, to the extent these are insufficient, on the availability of financing facilities.

On 19 October 2023, the Company agreed a new £500m equivalent multi-tranche, multi-currency revolving credit facility agreement (the "Loan Facility"), which on 20 October 2023, replaced the previous £500m equivalent credit facility and Credit Suisse AG London Branch as a Lender. There are five Lenders of the new facility, being Lloyds Bank plc, Mizuho, RBC Europe, Royal Bank of Scotland and State Street.

The new Loan Facility, which is secured by certain assets of the Company, is split as follows:
- Facility A: £400m expiring in October 2026 with an ongoing option to extend, by agreement, the maturity date by 364 days at a time; and
- Facility B £100m expiring in October 2024.

The Company has sought to build a long-term sustainable more flexible and diverse capital structure as part of this process, further strengthening the Company's balance sheet.

The structure permits Facility A to be increased from £400m to £700m via an uncommitted accordion option, subject to the consent of the participating Lenders, with a covenant package that better supports utilisation under the Loan Facility, the announced Tender Offer and the ongoing share buyback programme.

For details of commitment fees and rates of interest, refer to Note 14. The Loan Facility is subject to market standard loan to value and liquidity covenants.

The principal covenants that apply to the loan facility require:
(i) that gross borrowings do not exceed 35% of the adjusted borrowing base*; and
(ii) the liquidity ratio** does not exceed 4.1x undrawn commitment.

Total available financing as at 31 May 2024 stood at £414m (31 May 2023: £554m), comprising £16m (31 May 2023: £63m) in cash balances and £398m (31 May 2023: £491m) (sterling equivalent) in undrawn bank facilities. The available financing along with the private equity portfolio exceeded the outstanding commitments by 3.9 times (31 May 2023: 3.7 times) (which excludes any outstanding commitments relating to funds outside their investment period (>13 years old) as there is a low likelihood of these being drawn).

* The adjusted borrowing base is the total collaterised proportion of assets adjusted for loan agreement specific restrictions.
** Liquidity Ratio is computed as: (10% of PE portfolio + Cash + Undrawn facility)/(Undrawn commitments).

Interest Rate Risk
The Company may use gearing to achieve its investment objectives and manage cash flows and uses a multi-currency revolving credit facility for this purpose.

Interest on the revolving credit facility is payable at variable rates determined subject to drawdown. Variable rates are defined as relevant benchmark rates plus 2.95% to 2.25%, depending on whether Facility A or B is utilised respectively. The interest rate is then fixed for the duration that the loan is drawn down. At 31 May 2024, there was a sterling equivalent of £83.3m funds drawn down on the loan facilities (31 May 2023: £nil). A blended commitment fee of 0.95% per annum is payable in respect of the amounts available for drawdown in each facility.

Interest rate movements may affect:
- the level of interest receivable on cash deposits; and
- the interest payable on loan borrowings.

A 1% increase in market interest rates would be expected to decrease net assets, by approximately £0.8m (31 May 2023: nil), with all other factors being equal.

A 1% decrease would increase net assets by the same amount.

The loan notes issued by the Company pay a fixed rate of interest and therefore movements in interest rates will not affect net assets.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

Non-interest Rate Exposure
The remainder of the Company's portfolio and current assets are not subject to interest rate risks.

The interest rate and maturity profile of the Company's financial assets as at 31 May 2024 was as follows:

31 May 2024	Total £'000	No maturity date £'000	Matures within 1 year £'000	Matures after 1 year £'000	Fixed interest average interest rate %
Fair value no interest rate risk financial assets					
Sterling	1,128,658	1,128,658	-	-	-
US dollar	1,123,644	1,123,644	-	-	-
Euro	246,409	246,409	-	-	-
Other	23,907	23,907	-	-	-
	2,522,618	2,522,618	-	-	-

The interest rate and maturity profile of the Company's financial assets as at 31 May 2023 was as follows:

31 May 2023	Total £'000	No Maturity Date £'000	Matures within 1 year £'000	Matures after 1 year £'000	Fixed interest average interest rate %
Fair value of no interest rate risk financial assets					
Sterling	1,043,630	1,043,630	-	-	-
US dollar	1,171,627	1,171,627	-	-	-
Euro	240,745	240,745	-	-	-
Other	29,362	29,362	-	-	-
	2,485,364	2,485,364	-	-	-

Financial Liabilities
At 31 May 2024, the Company had drawn the sterling equivalent of £83.3m (31 May 2023: £nil) of its new £500m multi-currency credit facility, £400m of which expires in October 2026 and £100m expires in October 2024. Interest is incurred at a variable rate as agreed at the time of drawdown and is payable at the maturity date of each advance. At the year end, interest of £0.1m (31 May 2023: £nil) was accrued.

During the year ended 31 May 2024, the Company received US$150m through private placement loan notes, that have been structured over different maturities of five, seven and 10 years. At 31 May 2024, the sterling equivalent was £117.8m (31 May 2023: £nil). At the year end, coupon interest of £2.6m (31 May 2023: £nil) was accrued.

At 31 May 2024 and 31 May 2023, other than the ALN and the private placement debt, all financial liabilities were due within one year and comprised drawn loans payable within one year together with short-term creditors.

The ALN is repayable by no later than 31 August 2027

Market Price Risk
The method of valuation of the fixed asset investments is described in Note 1(D). The nature of the Company's fixed asset investments, with a high proportion of the portfolio invested in unquoted securities, means that the investments are valued by the Directors after due consideration of the most recent available information from the underlying investments.

PIP's portfolio is well diversified by the sectors in which the underlying companies operate. This sectoral diversification helps to minimise the effects of cyclical trends within particular industry segments.

If the investment portfolio fell by 20% from the 31 May 2024 valuation, with all other variables held constant, there would have been a reduction of £499,701,000 (31 May 2023: £483,524,000) in the return before taxation. An increase of 20% would have increased the return before taxation by an equal and opposite amount.

Foreign Currency Risk
Since it is the Company's policy to invest in a diverse portfolio of investments based in a number of countries, the Company is exposed to the risk of movement in a number of foreign exchange rates. A geographical analysis of the portfolio and hence its exposure to currency risk is given above and in Note 9b. Although it is permitted to do so, the Company did not hedge the portfolio against the movement in exchange rates during the financial period.

The investment approach and the Manager's consideration of the associated risk are discussed in further detail in the Strategic Report and the Manager's Review above.

The Company settles its transactions from its bank accounts at an agreed rate of exchange at the date on which the bargain was made. As at 31 May 2024, realised exchange losses of £14,000 (31 May 2023: £31,000) and realised gains relating to currency of £5,505,000 (31 May 2023: realised gains of £9,210,000) have been taken to the capital reserve.

The Company's exposure to foreign currency excluding private equity investments is shown below. In relation to this exposure, if the sterling/dollar and sterling/euro exchange rate had reduced by 10% from that obtained at 31 May 2024, it would have the effect, with all other variables held constant, of decreasing shareholders' funds by £20,343,000 (31 May 2023: increasing shareholder funds by £7,065,000). If there had been an increase in the sterling/dollar and sterling/euro exchange rate of 10% it would have the effect of increasing equity shareholders' funds by £16,645,000 (31 May 2023: decreasing shareholder funds by £5,780,000). The calculations are based on the financial assets and liabilities and the exchange rate as at 31 May 2024 of 1.2731 (31 May 2023: 1.2394) sterling/dollar and 1.1727 (31 May 2023: 1.16265) sterling/euro.

An analysis of the Company's exposure to foreign currency (excluding Investments) is given below:

	31 May 2024 Assets £'000	31 May 2024 Liabilities £'000	31 May 2023 Assets £'000	31 May 2023 Liabilities £'000
US dollar	19,355	204,488	53,801	478
Canadian dollar	276	-	32	-
Euro	2,166	123	10,321	59
Swedish krone	226	-	768	-
Norwegian krone	22	-	-	-
Australian dollar	132	-	1,441	-
	22,177	204,611	66,363	537

Fair Value of Financial Assets and Financial Liabilities
The Investments of the Company are held at fair value. All other financial assets are held at cost, which is an approximation of fair value. Other than the ALN, the financial liabilities are held at amortised cost, which is not materially different from fair value.

Managing Capital
The Company's equity comprises ordinary shares as described in Note 17. Capital which the Company considers to be its equity, is managed so as to maximise the return to shareholders while maintaining a capital base that allows the Company to operate effectively in the marketplace and sustain future development of the business.

As at 31 May 2024 and 31 May 2023, the Company had bank debt facilities to increase the Company's liquidity. Details of actual and available borrowings at the period end can be found earlier in this Note and in Note 14.

The Company's assets and borrowing levels are reviewed regularly by the Board of Directors with reference to the loan covenants.

The Company's capital requirement is reviewed regularly by the Board of Directors

24. Transactions with the Manager and Related Parties
The amounts paid to the Manager, together with the details of the Investment Management Agreement, are disclosed in Note 3.

The fees paid to the Company's Board are disclosed in the Directors' Remuneration Report in the full Annual Report. The Company's National Insurance contribution in relation to Directors' remuneration is disclosed in Note 4.

Amounts outstanding for Directors' Fees as at 31 May 2024 amount to £62,000 (2023: £45,000).

The Company also has three wholly-owned subsidiaries. Please see Note 20 for further details.

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

25. Post Balance Sheet Events
There are no post balance sheet events to report.

ENDS

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