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For immediate release

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PANTHEON INTERNATIONAL PLC (the "Company" or "PIP")
HALF-YEARLY FINANCIAL REPORT FOR THE SIX MONTHS ENDED 30 NOVEMBER 2020

The full Half-Yearly Financial Report can be accessed via the Company's website at www.piplc.com or by contacting the Company Secretary by telephone on +44 (0)1392 477500.

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

Pantheon International Plc, a FTSE 250 investment trust that provides access to a global and diversified portfolio of private equity companies, today publishes its Half-Yearly Financial Report for the six months ended 30 November 2020.

ANNUALISED PERFORMANCE AS AT 30 NOVEMBER 2020

	1 yr	3 yrs	5 yrs	10 yrs	Since inception (1987)
NAV per share	12.1%	11.8%	14.1%	12.8%	11.7%
Ordinary share price	-0.2%	7.5%	12.4%	14.7%	11.1%
FTSE All Share, TR	-10.3%	-0.6%	4.1%	5.9%	7.2%
MSCI World, TR (Sterling)	12.7%	10.8%	14.3%	12.6%	8.2%
Share price relative performance					
Versus FTSE All Share, TR	**+10.1%**	**+8.1%**	**+8.3%**	**+8.8%**	**+3.9%**
Versus MSCI World, TR (Sterling)	**-12.9%**	**-3.3%**	**-1.9%**	**+2.1%**	**+2.9%**

HIGHLIGHTS - SIX MONTHS ENDED 30 NOVEMBER 2020

Performance update

· PIP performed well during the period as NAV per share **grew by 8.9%** to 3,139.2p.
· Net assets at 30 November 2020 **increased to £1,698m** (31 May 2020: £1,559m).
· PIP's share price, which has recovered in line with the global stock markets, **increased by 12.4%;** the discount to NAV was **26%.**

Portfolio update

· Assets in the portfolio generated impressive underlying (pre-FX) **returns of 15.4%,** reflecting the strong tilt towards more resilient sectors such as information technology and healthcare.
· Distributions received in the six months to 30 November 2020 were **£111m**, equivalent on an annualised basis to a distribution rate of **15%** of the opening attributable portfolio. After funding **£54m** of calls, net cash inflow from the portfolio totalled **£57m**.
· The average age of PIP's funds at the half year-end was **5.5 years** (May 2020: 5.1 years), reflecting the careful balance between cash being received from mature funds and value being created from more recent investments.
· Following a short hiatus in deal activity due to the COVID-19 pandemic**, £14.6m** was committed to **six new investments** during the half year, of which £10.9m was funded at the time of purchase.
· PIP has a full pipeline and has **committed £28.7m to 10 investments** since the period end.

Financial position update

· Undrawn multi-currency revolving **£300m** credit facility amended to extend the term of a £225m tranche to May 2024. The remaining £75m tranche extended to May 2024 since the period end. The amendment also facilitates an increase in commitments to £350m through additional facilities.
· PIP's financing cover, which measures the sum of PIP's undrawn commitments of £464m as at 30 November 2020 against its available financing and the value of its private equity portfolio, was **4.4 times**.

Commenting on PIP's performance for the half year, **Sir Laurie Magnus, Chairman,** said:

"PIP's financial strength and tilt towards more resilient sectors gives the Board confidence that PIP will continue to produce attractive returns for shareholders which can outperform public market benchmarks over the long term."

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

A series of videos of the team at Pantheon discussing PIP's half year results, interviews with two of our leading private equity managers on their approach to ESG and case studies showcasing some of our portfolio companies are available on our website at www.piplc.com.

Important Information

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

CHAIRMAN'S STATEMENT

Resilience, growth and opportunity

IN SUMMARY

- Strong performance from the underlying portfolio reflects tilt towards resilient sectors such as information technology and healthcare.
- PIP's flexible investment approach, strong balance sheet and liquidity mean it can respond quickly to market conditions.
- PIP has continued investing through the pandemic.

Highlights

11.7%	Average annual NAV growth since inception
8.9%	NAV per share growth in the half year
12.4%	Share price increase in the half year
£1,698m	Net asset value
£57m	Portfolio net cash flow in the half year

Since I last wrote to you on 5 August 2020, the world has continued to grapple with the COVID-19 crisis and, while the rollout of the vaccine programmes provides hope, the spread of mutations of the virus and multiple lockdowns continue to inflict severe economic damage globally. Despite this turmoil, financial markets have rebounded strongly from the lows of last year, buoyed by optimism and extensive support from governments and central banks. This positive sentiment has benefitted PIP and its share price, which increased by 12.4% during the six months ended 30 November 2020. Despite this, the Board continues to believe that PIP's shares trade at an excessive discount (26% as at 30 November 2020), a belief underlined by a £3.8m investment in PIP's
shares on behalf of one of the Directors after the period end.

PIP's underlying portfolio performance reflects its strong tilt towards more resilient sectors, such as information technology and healthcare, which have demonstrated impressive growth during the period. During the six months ended 30 November 2020, PIP's NAV per share increased by 8.9% to 3,139.2p and its net assets stood at £1.7bn. On an annualised basis, this translates into average annual NAV per share growth of 11.7% since the Company was launched in 1987, significantly outperforming the FTSE All-Share and MSCI World indices over the same period.

PIP's Strategic Report, within the full Interim Report, has been approved and signed on behalf of the Board. Some of the key highlights of the report are summarised below, but shareholders are encouraged to read the Strategic Report in its entirety.

Performance for the six months to 30 November 2020
During the half year, our underlying portfolio performed strongly, with valuation gains of 15.0% and income of 0.4%. The strengthening of sterling versus the US$ resulted in foreign exchange movements of -6.1%, while expenses and taxes deducted 0.4%.

The buyout and growth segments, which form the majority of PIP's portfolio, benefitted from strong valuation gains and exits during the six months. These were primarily in healthcare and information technology, with one notable gain in particular coming from Allegro, an online marketplace provider in Poland, which launched an Initial Public Offering ("IPO") and has since become the largest company by market capitalisation on the Warsaw Stock Exchange. PIP co-invested in Allegro in 2017: see the case study within the full Interim Report to find out more. The very strong performance in venture was driven primarily by the successful IPO of a technology company in the portfolio. By investing in private companies managed by many of the best private equity managers globally, PIP is able to capture the rapid growth and value creation that often occurs before those companies reach the listed markets.

The performance of special situations, which accounts for just 8% of the overall portfolio, was flat during the period as it continued to be impacted by valuation declines in companies with energy exposure. As I indicated in my update on 5 August 2020, we are de-emphasising energy in our portfolio and, as investments are realised, we would expect to see PIP's energy exposure decline further over time as a proportion of the Company's NAV. At the end of November 2020, energy represented just 4% of the portfolio.

Cash flow and balance sheet liquidity
The Board and Pantheon regularly stress test PIP's investment portfolio on various scenarios to ensure that the Company is able to withstand a potential downturn, including the risk of a sharp decline in distributions and a significant increase in calls from our underlying private equity managers. Although there was an understandable hiatus in deal activity following the immediate onset of the COVID-19 pandemic, PIP has continued to receive distributions and a ramp up in calls has not materialised. During the period, PIP received £111m in distributions, equivalent on an annualised basis to a distribution rate of 15% of PIP's opening portfolio value. Calls from existing commitments to private equity funds during the period amounted to £54m, equivalent to 20% of PIP's opening undrawn commitments. Overall, PIP generated a net positive cash flow of £57m during the period, before taking account of new investments.

The average age of PIP's funds at the half year end was 5.5 years, providing a balance between cash being received from mature funds and value being created from more recent investments.

Repayment of the unlisted Asset Linked Note ("ALN"), which was issued with an initial principal value of £200m in October 2017, is made only from the cash distributions received from a reference portfolio of older investment assets, mainly dating from 2006 and earlier. The ALN matures on 31 August 2027 and, as at 30 November 2020, had a remaining value of £53m, of which £2.8m represents the net cash flow for the three months to 30 November 2020, due for repayment on 28 February 2021.

In November 2020, we announced that PIP had agreed an amendment to its £300m multi-currency revolving credit facility which was due to expire in June 2022, involving the extension of a £225m tranche to May 2024. Since the period end, the remaining £75m tranche has also been extended, with the result that the entire facility is now due to expire in May 2024. The amended agreement allows the Company the flexibility to increase its committed facilities to £350m. The facility, which has been denominated as to US$269.8m and €101.6m to match the principal currencies in which the Company's undrawn commitments are denominated, was equivalent to £293m as at 30 November 2020.

Altogether, PIP had liquid resources as at 30 November 2020 of £444m, comprising net available cash of £151m and its wholly undrawn credit facility. PIP's financing cover, which measures the sum of PIP's undrawn commitments of £464m as at 30 November 2020 against its available financing and the value of its private equity portfolio, was comfortable at 4.4 times.

Taking advantage of exciting deal flow and structural trends
PIP's portfolio is weighted towards the information technology and healthcare sectors, which accounted for almost half of the portfolio at the end of November (Information technology: 29%; Healthcare: 19%), whereas it has limited exposure (1.3% in total) to the sectors hardest hit by the pandemic, such as travel and hospitality. It has been widely recognised that the pandemic has accelerated many of the trends that were already underway in consumer and business behaviour, such as the move towards more remote working, the greater use of online retailing and the increased integration of information technology into the delivery of services and manufacturing. Our underlying managers had already been investing in many of the businesses operating in the provision of tech-enabled solutions for these purposes. Throughout this report, you will find case studies on some of the information technology companies in PIP's portfolio and the services they offer. Healthcare has also been resilient through the crisis, with many of the companies in PIP's portfolio focused on providing medical care and pharmaceutical products.

Although new investment activity reduced significantly in the aftermath of the crisis, it has picked up in recent months as private equity managers have taken advantage of the market dislocation and sought out buy-and-build and take-private businesses in attractive sectors. PIP has continued investing in opportunities identified by Pantheon and our private equity managers which provide access to growing businesses led by experienced and entrepreneurial managers. During the six months to 30 November 2020, PIP committed £14.6m to six new investments, of which £10.9m was drawn at the time of purchase. This comprised £8.6m invested in four co-investments, £4.7m committed to one secondary investment and £1.3m committed to one primary investment. Since the period end, PIP has committed a further £28.7m to 10 new investments.

Pantheon's experience and responsible investment approach
Pantheon uses its extensive, deep and long-standing relationships with some of the world's best private equity managers, together with their connections and often privileged access to information, to source compelling deals for PIP. In addition, Pantheon uses its position on over 470 fund advisory boards worldwide to promote high standards in relation to environmental practices, corporate governance and social awareness amongst private equity managers and investee companies. The Board is encouraged to note that many private equity managers have already recognised the importance of embedding these principles into their business practices and the positive opportunities for creating value from such an approach. See the full Interim Report to hear from two of our private equity managers about what ESG means to them. Pantheon is a strong promoter of equal opportunity, diversity and inclusion and such principles are fully integrated into its investment due diligence questionnaires and processes.

Board changes and succession
Upon conclusion of the AGM in September 2020, Ian Barby, who had been a Director since 2005, retired from the Board. David Melvin, who has been a Director of the Company and a member of the Audit Committee since 2015, took over the role of Chairman of the Audit Committee in April 2020.

Susannah Nicklin, our Senior Independent Director and a member of the Board since November 2011, has indicated that she wishes to retire as a Director following the conclusion of this year's AGM. Susannah has been a very effective contributor to the Board's work and will be greatly missed by her colleagues. The Board will undertake a search to find a new Director later this year.

Positive outlook for PIP

It is difficult to predict how long the COVID-19 pandemic will last, nor what the global economy will look like afterwards, particularly against a backdrop of worldwide political tensions and increasing anxiety over the effects of climate change. PIP's global portfolio is of course highly exposed to many developments over which it has no influence, but the dynamism of private equity-backed businesses within capitalist economies, not least relative to public companies, justifies PIP's objective to be the "go to" investment platform for accessing a portfolio of growth orientated companies.

The Board believes that PIP's investment positions have, in general to date, come through the COVID-19 crisis in good shape and that the Company is well-positioned for the future. Pantheon, with nearly 40 years' experience of investing in private markets, has valuable longstanding relationships with the underlying managers of PIP's portfolio, which are not easy to replicate. PIP's flexible investment approach and ability to vary the pace of its commitments, together with its strong balance sheet and liquidity, means that it can respond opportunistically and quickly to market conditions. This combination of PIP's financial resilience and Pantheon's managerial acumen gives the Board confidence that PIP will continue to produce attractive returns for shareholders which can outperform public market benchmarks over the long term.

SIR LAURIE MAGNUS
Chairman
24 February 2021

INVESTMENT POLICY

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

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

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

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

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

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

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

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

- The aggregate of all the amounts invested by the Company in (including commitments to or in respect of) 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 anytime exceed 100% of the Company's net asset value. 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.

Key Performance Indicators

	What it is	How we have performed		Link to our strategic objectives	Examples of related factors that we monitor
Performance					
5-Year cumulative total shareholder return 79.0%	Total shareholder return demonstrates the return to investors, after taking into account share price movements (capital growth) and, if applicable, any dividends paid during the period.	1 year (0.2%) 3 years (cumulative) 24.1% 5 years (cumulative) 79.0%	• PIP's ordinary shares had a closing price of 2,320.0p at the half year end • Discount to NAV was 26% as at 30 November 2020	• Maximise shareholder returns through long-term capital growth • Promote better market liquidity 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 during the half year 8.9%[1]	NAV per share reflects the attributable value of a shareholder's	6M to 30 Nov 2018 10.7%	• NAV per share increased by 256.4p to	• Investing flexibly with top-tier private	• Valuations provided by private equity managers

	holding in PIP. The provision of consistent long-term NAV per share growth is central to our strategy. NAV per share growth in any period is shown net of foreign exchange movements and all costs associated with running the Company.	6M to 30 Nov 2019 1.0% 6M to 30 Nov 2020 8.9%	3,139.2p during the half year • NAV growth underpinned by strong performance in the underlying portfolio	equity managers to maximise long-term capital growth • Containing costs and risks by constructing a well-diversified portfolio in a cost-efficient manner	• Fluctuations in currency exchange rates • Ongoing charges relative to NAV growth andprivate equity peer group • Potential tax leakage from investments • Effect of financing (cash drag) on performance
Portfolio investment return for the half year 16.6%[1]	Portfolio investment return measures the total movement in the valuation of the underlying funds and companies comprising PIP's portfolio, expressed as a percentage of the opening portfolio value, before taking foreign exchange effects and other expenses into account.	6M to 30 Nov 2018 8.9% 6M to 30 Nov 2019 5.2% 6M to 30 Nov 2020 16.6%	• PIP continues to benefit from good earnings growth in its underlying portfolio and from realisations at significant uplifts to carrying value	• Maximise shareholder returns through long-term capital growth	• Performance relative to listed market and private equity peer group • Valuations provided by private equity managers
Liquidity					
Net portfolio cash flow for the half year £57m[2]	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.	6M to 30 Nov 2018 £79m 6M to 30 Nov 2019 £64m 6M to 30 Nov 2020 £57m	• PIP's portfolio generated £111m of distributions versus £54m of calls • In addition, the Company made new commitments of £15m during the half year, £11m of which was drawn at the time of purchase • PIP's portfolio has a weighted average fund age of 5.5 years[2]	• 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
Undrawn coverage ratio 130%	The undrawn coverage ratio is the ratio of available financing and 10% of private equity assets to undrawn commitments. The undrawn coverage ratio is an indicator of the Company's ability to meet outstanding commitments, even in the event of a market downturn. Under the terms of its current loan facilities, PIP can continue to make new undrawn commitments unless and until the undrawn coverage ratio falls below 33%.	31 May 2019 90% 31 May 2020 102% 30 Nov 2020 130%	• The current level of commitments is consistent with PIP's conservative approach to balance sheet management • In line with historical experience, the Company expects undrawn commitments to be funded over a period of several years	• Flexibility in portfolio construction, allowing the Company to allocate between primary, secondary and co-investments, and vary investment pace, to achieve long-term capital growth	• Relative weighting of primary, secondary and co-investments in the portfolio • Level of undrawn commitments relative to gross assets • Trend in distribution rates • Ability to access debt markets on favourable terms

[1] *Excludes valuation gains and/or cash flows associated with the ALN.*
[2] *Excludes the portion of the reference portfolio attributable to the ALN.*

FINANCING OUR UNDRAWN COMMITMENTS

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

We manage PIP to ensure that it has enough liquidity to finance its undrawn commitments, which represent capital committed to funds but yet to be drawn by the private equity managers, as well as to take advantage of new investment opportunities. We monitor and closely control the Company's level of undrawn commitments and its ability to finance future calls. A critical part of this exercise is ensuring that the undrawn commitments do not become excessive relative to PIP's private equity portfolio and available financing. We achieve this by managing PIP's investment pacing as well as constructing its portfolio so that it has the right balance of exposure to primaries, secondaries and co-investments.

Managing our financing cover[1]
PIP's undrawn commitments were £464m as at 30 November 2020 (31 May 2020: £541m).

At 30 November 2020, PIP had net available cash balances of £151m. In addition to these cash balances, PIP also has access to a wholly undrawn £300m multi-currency revolving credit facility agreement ("loan facility") that expires in May 2024. The facility comprises a £225m tranche that expires in May 2024 and a £75m tranche that expires in June 2022. Using exchange rates at 30 November 2020, the loan facility amounted to a sterling equivalent of £293m.

At 30 November 2020, the Company had £444m of available financing which, along with the value of the private equity portfolio, provides comfortable cover of 4.4 times relative to its undrawn commitments.

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 130% as at 30 November 2020.

Asset Linked Note (ALN)
As part of the share consolidation effected on 31 October 2017, PIP issued an ALN with an initial principal amount of £200m to a single holder (the "Investor"). Repayments under the ALN are made quarterly in arrears and are linked to the ALN share (approximately 75%) of the net cash flow from a reference portfolio which is comprised of interests held by PIP in over 300 of its oldest private equity funds, substantially 2006 and earlier vintages. PIP retains the net cash flow relating to the remaining c.25% of the reference portfolio. The ALN is unlisted and subordinated to PIP's existing loan facility (and any refinancing), and is not transferable, other than to an affiliate of the Investor. The ALN is expected to mature on 31 August 2027, at which point the Company will make the final repayment under the ALN. As at 30 November 2020, the ALN was valued at £50m. For more information on the ALN, refer to note 8 of the financial statements below.

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

Maturity[1]
We actively manage PIP's maturity profile to maximise the potential for growth and generate cash. This is achieved through a mix of primaries, secondaries and co-investments.

As at 30 November 2020, PIP's portfolio had a weighted average fund age of 5.5 years.

Year	%
2020 and later	3%
2019	10%
2018	14%
2017	15%
2016	15%
2015	15%
2014	5%
2013	3%
2012	3%
2011	3%
2010	1%
2009	1%
2008 and earlier	12%

Undrawn commitments by vintage
The rise in more recent vintages is a result of PIP's primary commitment activity during the past three years.

Approximately 22% of PIP's undrawn commitments are in funds with vintage years which are 2014 or older. Generally, when a fund is past its investment period, which is typically between five and six years, it cannot make any new investments and only draws capital to fund follow-on investments into existing portfolio companies, or to pay expenses. As a result, the rate of capital calls by these funds tends to slow dramatically.

Year	%
2020	15%
2019	26%
2018	18%
2017	8%
2016	5%
2015	6%
2014	1%
2013	2%
2010-2012	3%
2009	1%
2008	4%
2007	6%
2006 and earlier	5%

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

Region	%
USA	46%
Europe	37%
Global	10%
Asia and EM	7%

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

	%
Small/mid buyout	44%
Large/mega buyout	25%
Growth	19%
Special situations	9%
Venture	3%

[1] Maturity chart is based on underlying fund valuations and accounts for 100% of PIP's portfolio value. Excludes the portion of the reference portfolio attributable to the ALN.

MANAGER'S REVIEW

OUR MARKET

Navigating the crisis with skill and dexterity

Helen Steers, Partner at Pantheon and manager of PIP, discusses how the private equity market has responded so far to the COVID-19 pandemic, and considers the outlook for 2021.

This is no doubt that 2020 will go down in history as a year of extraordinary social and economic upheaval. The damage wrought by the COVID-19 pandemic has unleashed an unprecedented monetary and fiscal response from governments around the world. Interest rates have been cut to zero, central banks have launched vast programmes of quantitative easing and policy makers have applied emergency fiscal stimulus to soften the effects of the crisis. These policy actions have led to a recovery for most financial assets, with public equity markets bouncing back from the sharp declines that were triggered by the onset of the pandemic. The development and deployment of a range of effective vaccines have further boosted markets, and at the end of 2020 the MSCI World index was up by 14%, having rallied over 40% since the end of March. This aggregate performance masks a huge dispersion between countries, industry sectors and companies, and a vast amount of public market volatility during the year. There was a similar pattern of returns in private equity, although the valuation writedowns in the first quarter of the year were not as severe as those seen in listed equities, and the asset class as a whole recovered steadily in the second and third quarters of the year.

The impact of COVID-19 was felt in other ways in the private equity sector: new deal activity ground to a halt as private equity managers focused on their existing portfolio companies, assessing and resolving the operational and financial issues caused by the pandemic. The deep experience of the private equity managers in PIP's portfolio has served them well so far during this difficult period. Through rapid action - securing the safety of portfolio company staff, managing the closure and re-opening of sites, sorting out supply chain problems, meeting key customer demands, pivoting towards online solutions and obtaining financing - PIP's private equity managers were able to support our underlying companies and protect their portfolios. Although we had anticipated a potential surge in capital calls, and were ready for this eventuality, this did not materialise. Furthermore, although exit activity slowed during this initial phase of the pandemic, realisations then picked up and PIP has continued to receive distributions from the portfolio, albeit initially at lower than average levels.

During the second half of 2020, deal activity recovered as our private equity managers sought out add-on acquisitions for their existing investee companies, taking advantage of the opportunity to consolidate fragmented market segments. They also completed new transactions, frequently targeting businesses that they had tracked for several months or years prior to the pandemic. They also made use of the dislocation in public markets to pursue certain take-private deals. With this resurgence in activity, preliminary estimates for deal volumes at the end of 2020 are positive, and the momentum has continued into 2021. The large war chests amassed by private equity managers pre-crisis means that there is now an estimated US$1.5tn[1] of dry powder (capital raised and available to invest but not yet deployed) globally. This indicates a lively M&A market for private equity in 2021 and beyond, and we see this reflected in PIP's active deal pipeline.

[1]*Source: Preqin, January 2021.*

A busy period ahead in the private equity secondary market

Volumes in the global private equity secondary market reached record levels of US$88bn[2] in 2019 but fell to US$60bn[2] in 2020. However, the slowdown in deal activity occurred early on in the pandemic and the volumes in the second half of the year were only marginally behind those of the same period in 2019.

Traditional secondary deals from investors seeking to exit existing investments and rebalance their portfolios were delayed in anticipation of a market recovery in 2021. Meanwhile, within those sectors faring well through the pandemic, the number of "sponsor-led" (where the private equity managers themselves are actively involved in finding liquidity for investors in their funds) and single asset deals (individual companies carved out of older funds) increased significantly. These types of deals have already been a growing part of the secondaries market and we expect this to continue.

Pantheon is an established player in the secondary market and, through its extensive network of relationships spanning many years, is able to selectively identify and source deals that offer embedded value. Sponsor-led and single asset deals are a specialised area of the secondary market, where our secondary team's extensive track record, expertise and transaction lead capabilities enable PIP to capitalise on the most attractive available opportunities.

[2]*Source: Greenhill Global Secondary Market Review, January 2021.*

Invested in resilient sectors in uncertain times

Prior to the onset of the pandemic, many of PIP's underlying managers were investing already in sectors focused on the rapid digitalisation of the economy, process automation and data management, and others had backed segments in the healthcare and consumer services areas that were benefitting from secular trends driven by demographics and lifestyle shifts. Information technology and healthcare form the majority of PIP's portfolio and both of those sectors have shown resilience over the past months and performed well despite the pandemic. We have been steering PIP's portfolio away from consumer discretionary sector investments for several years and there is limited exposure to the segments hardest hit by the pandemic, such as travel and hospitality. Nevertheless, private equity's focus on selecting companies which have clear theses for value creation means that even in pressured sectors our private equity managers will remain alert to opportunities where the business fundamentals are strong and there are opportunities for future growth.

This crisis has highlighted the fact that technology is an enabler across many other industry sectors as well as being a vertical sector in its own right. Digital transformation, which is the use of technology to improve products, services and revenues, is one of several tools that many of our private equity managers use to enhance products and improve efficiencies both within their own businesses and those of their portfolio companies. In recognition of the growing importance of digitalisation, many managers have experts on staff. See the case studies in the full Interim Report on the role that information technology is playing in many of the underlying companies in PIP's portfolio.

Acting responsibly and having a positive impact on the communities around us

Private equity managers are well-positioned to assess the risks related to Environment, Social and Governance ("ESG") effectively and to manage potential ESG issues and opportunities at both the portfolio level and the underlying companies. The interests of the ultimate investors, the private equity manager and the business' management are well aligned and the tight governance in private equity ensures that action can be taken if a portfolio company is not achieving its plan. As one of the first private equity signatories to the United Nations-backed Principles for Responsible Investment (UNPRI) in 2007, the core principles of responsible investment are embedded in Pantheon's due diligence processes when assessing an investment opportunity as well as through the proactive monitoring of the businesses in PIP's underlying portfolio for the duration of the investment. This continual assessment persists right up until the investment is exited.

While good governance is a hallmark of private equity ownership, and many companies have been considering their environmental impact for some time, the devastation caused by COVID-19 has led to the "S" of ESG - social impact - gaining greater importance and traction than ever before. We have been pleased to observe many of PIP's underlying private equity managers and their portfolio companies recognising their own responsibilities during the crisis and donating products, services and expertise to the relief effort. Examples of these efforts are highlighted in this report. Pantheon is also a champion of promoting diversity and inclusion both within our own business and those of our managers. Consideration of these principles is fully integrated into our investment due diligence questionnaires and processes.

Pantheon's platform continues to yield significant co-investment opportunities

Co-investments, which now account for 35% of PIP's portfolio, are economically attractive as they are typically free of management and performance fees, and enable PIP to invest directly in portfolio companies on the same terms and conditions as the private equity manager. Pantheon is able to source attractive co-investment deal flow for PIP because:

- We have an experienced, dedicated team which carries out detailed and extensive due diligence on each deal. This capability was enhanced further during the period with the appointment of an additional Partner to Pantheon's co-investment team.
- We do not compete against our underlying managers.
- We are reliable, and we have the scale and ability to deploy capital quickly and efficiently.
- We can co-underwrite transactions alongside our managers if appropriate.

We assess each co-investment on its own merits but our main investment themes are:

- Only invest where the targeted business is a good fit for the manager in terms of their sector and geographic expertise.
- Co-investments in attractive sectors offering clear prospects for high organic growth through differentiated product or service offerings.
- Strong platform companies targeting add-on acquisitions to build scale in existing businesses and consolidate fragmented end-markets.
- Resilient businesses with recurring revenues and stable demand for products or services.

As attention turns to rebuilding economies and restoring growth once the crisis ends, private equity has the credentials to contribute positively to the recovery effort. Research has shown that historically private equity has played an instrumental role in creating jobs and driving economic growth, particularly in the developed markets. For example, according to a recent study, private equity supported 10.5 million jobs in Europe through its company ownership in 2018[1] and was a major employer in most industry sectors. In that same year, employment levels at private equity-backed firms increased by 5.5%, with jobs created within all stages of investment from venture through to buyouts, which compared to overall growth of 1.1% in the European job market[1]. In the USA, which has the deepest and most established private equity market in the world, private equity invests half a trillion dollars in American businesses each year[2]. Furthermore, private equity has demonstrated its commitment to supporting smaller businesses through the pandemic with nearly half of all private equity investments being channelled into companies with fewer than 500 employees[2] in the USA.

[1]Source: Invest Europe "Private equity at work" report, published September 2020.

[2]Source: American Investment Council (https://www.investmentcouncil.org/).

Outlook

According to research by Preqin, the growing US$4.4tn global private equity market is expected to double by 2025[3]. We believe that private equity will continue to benefit from the continuing shrinkage of the listed markets, which has seen the number of public companies in North America and Europe reduce each year while the number of private equity-backed companies has been increasing year-on-year. In our view, it is the strategic and operational expertise, experience and the long-term view taken by our private equity managers - which when combined with the capital provided by private equity brings demonstrable value to the companies under their ownership - that is fuelling the growth of the private equity industry. PIP is well- positioned to continue to be a beneficiary of this trend and we believe that the effect of our managers' hands-on approach is evidenced by the significantly stronger revenue and earnings growth exhibited by the underlying companies in PIP's portfolio when compared to that of the MSCI World index.

In many parts of the capital markets, valuations are considered to be full and the overall risks are currently skewed to the downside. However, we are managing risk in PIP by building a globally diversified portfolio which invests across the full spectrum of private equity, weighted towards small and mid-market buyouts and growth opportunities which offer the potential for strong returns. PIP's direct investment approach into the third party funds and co-investment opportunities that are sourced by Pantheon means that PIP has the flexibility to increase and decrease its exposure to the different investment types according to the best fit for its portfolio, and to vary the rate at which it makes investments.

The rollout of various vaccine programmes to protect against the COVID-19 virus has provided light at the end of the tunnel but the uncertainty is far from over and the economic impacts of the pandemic may last for many years to come. While private equity is not immune to these events, which are affecting us all, we believe that its inherent ability to be nimble, flexible and respond quickly to changing market dynamics means that private equity, and PIP with its more than 33 year track record, has the ability to emerge strongly from the COVID-19 crisis.

[3]Source: Preqin, January 2021

PERFORMANCE

Overall, PIP's underlying portfolio continues to deliver robust returns. The cash-generative profile of the portfolio, and the portfolio's tilt towards more resilient sectors, underpinned strong performance during the half year.

Private equity portfolio movements

- Excluding returns attributable to the ALN share of the portfolio, PIP's portfolio generated returns of 16.6% during the half year.
- PIP's total portfolio generated investment returns, prior to foreign exchange effects, of 16.4%.

Valuation gains by stage[1]

- There was positive performance across all key segments of PIP's portfolio.
- Venture performance was driven primarily by a successful initial public offering of a portfolio company in the information technology sector.
- Buyout and growth segments performed well, helped by strong exits and valuation gains.
- The special situations segment, which accounts for 8% of PIP's portfolio by value, underperformed, mainly due to valuation declines in the de-emphasised energy sector.

[1]Portfolio returns include income, exclude gains and losses from foreign exchange movements, and look through feeders and funds-of-funds 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.

Valuation gains by region

- Strong performance in European and US investments during the half year, driven by favourable exits and positive valuation movements in some listed portfolio companies.
- Good performance in Asia and Emerging Markets, albeit muted relative to other regions.

Valuation gains by type

- Strong primary and secondary performance underpinned by successful exits.
- Co-investment performance driven by public market valuation gains, strong operational performance and a number of exits at significant uplifts to carrying value.

DISTRIBUTIONS

PIP received more than 850[1] distributions during the half year, with many reflecting realisations at uplifts to carrying value.

Distributions by region and stage

PIP received £111m in proceeds from PIP's portfolio in the six months to 30 November 2020 equivalent to 15%[2] of opening private equity assets.

The USA and Europe accounted for the majority of PIP's distributions, where market conditions supported a good level of exits, particularly from buyouts.

DISTRIBUTIONS BY REGION	
USA	**44%**
Europe	**44%**
Global	**7%**
Asia and EM	**5%**

DISTRIBUTIONS BY STAGE	
Small/mid buyout	**48%**
Large/mega buyout	**25%**
Growth	**20%**
Venture	**5%**
Special situations	**2%**

Quarterly distribution rates

- Distribution rate equals distributions in the period (annualised) divided by opening portfolio value.
- Distribution rate in the quarters to May and August impacted by onset of COVID-19 and broader market decline in deals.
- Recovery in annualised distribution rates seen in the quarter ending 30 November 2020.

Distribution rates by vintage

With a weighted average fund maturity of 5.5 years[3], PIP's portfolio is well-positioned to continue to generate significant levels of cash.

[1]This figure looks through feeders and funds-of-funds.

[2]*Including distributions attributable to the ALN, the distribution rate for the year was 17%.*

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

Cost multiples on exit realisations for the half year to 30 November 2020[1]
The average cost multiple of the sample was 2.5 times, highlighting value creation over the course of an investment.

Uplifts on exit realisations for the half year to 30 November 2020[1]
The value-weighted average realised uplift in the half year was 20%, consistent with our view that realisations can be significantly incremental to returns.

The method used to calculate the average uplift is to compare the value at exit with the value 12 months prior to exit.

Exit realisations by sector and type
Reflecting their resilience through the pandemic so far, the majority of exit realisations occurred in the healthcare, consumer and information technology sectors. Secondary buyouts represented the most significant route for exit activity during the half year. The data in the sample provide coverage for 100% (for exit realisations by sector) and 91% (for exit realisations by type) of proceeds from exit realisations received during the period.

EXIT REALISATIONS BY SECTOR	
Healthcare	35%
Consumer	34%
Information technology	17%
Industrials	9%
Financials	4%
Energy	1%

EXIT REALISATIONS BY TYPE	
Secondary buyout	61%
Trade sale	20%
Public market sale	17%
Refinancing and recapitalisation	2%

[1]*See the Alternative Performance Measures section within the full Interim Report for sample calculations and disclosures.*

CALLS
Calls during the half year were used to finance investments in businesses such as software providers, specialty pharmaceuticals and business outsourcing companies. In addition, our managers sought to make attractively priced add-on acquisitions for existing platform companies.

Calls by region and stage
PIP paid £54m to finance calls on undrawn commitments during the half year.

Calls were predominantly made by private equity managers in the buyout and growth segments.

CALLS BY REGION	
USA	39%
Europe	26%
Asia & EM	20%
Global	15%

CALLS BY STAGE	
Large/mega Buyout	30%
Growth	25%
Small/mid buyout	22%
Special situations	19%
Venture	4%

Calls by sector
A large proportion of calls were for investments made in the information technology and healthcare sectors.

CALLS BY SECTOR	
Information Technology	35%
Healthcare	26%
Industrials	11%
Consumer	9%
Communication services	8%
Financials	7%
Energy	3%
Others	1%

Quarterly call rate[1]
The annualised call rate for the six months to 30 November 2020 was equivalent to 20% of opening undrawn commitments.

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

NEW COMMITMENTS
PIP committed £15m to six new investments during the half year. Of the total commitments made, £11m was drawn at the time of purchase. Since the period end, PIP has committed a further £29m to 10 new investments. The Company's investment pipeline points to an active period for new commitments for the remainder of the financial year.

Our investment process
Investment opportunities are originated via Pantheon's well-established platform.

Within our diversified portfolio, we back the best managers globally that are able to identify and create value in growing companies.

Cash is generated when those companies are sold, and is returned to PIP to be redeployed into new investment opportunities.

New commitments by region
The majority of commitments made in the six month period were to US private equity opportunities.

USA	89%
Europe	11%

New commitments by stage
All of the new commitments made in the half year were in the buyout and growth segments.

Small/mid buyout	35%
Large/mega buyout	33%
Growth	32%

New commitments by investment type
New commitments during the half year reflected the attractiveness of opportunities across the spectrum of PIP's investment activity.

Co-investments	59%
Secondary	32%
Primary	9%

New commitments by vintage
Primary and co-investment commitments comprised nearly 70% of the activity during the last six months, resulting in the predominance of current vintage investments.

2020	68%
2018 and earlier	32%

Secondary commitments
Secondary investments allow the Company to invest in funds at a stage when the underlying companies are ready to be sold to generate cash distributions.

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

This includes accessing secondary transactions in the attractive manager-led space, where top tier private equity managers are selectively transferring some of their most attractive portfolio companies into continuation vehicles, mainly in the form of single company secondaries. By holding companies for longer, secondary managers are able to participate in the companies' next phase of growth.

EXAMPLES OF SECONDARY COMMITMENTS MADE DURING THE HALF YEAR:

INVESTMENT	REGION	STAGE	VINTAGE	COMMITMENTS £M
DIVERSIFIED FUND PORTFOLIO	USA	Buyout, Growth	2008-2015	**4.7**

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

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

EXAMPLES OF PRIMARY COMMITMENTS MADE DURING THE HALF YEAR:

INVESTMENT	REGION	SECTOR	STAGE	VINTAGE	COMMITMENTS £M
THOMA BRAVO XIV	USA	Information technology	Large Buyout	2020	1.3

Co-investments
PIP's co-investment programme benefits from Pantheon's extensive primary investment platform which has enabled PIP to participate in proprietary mid-market deals that would otherwise be difficult to access. PIP invests alongside private equity managers who have the sector expertise to source and acquire attractively priced companies and build value through operational enhancements, organic growth and buy-and-build strategies. The information technology sector offered compelling investment opportunities during the period.

NEW CO-INVESTMENTS BY REGION

USA	81%
Europe	19%

NEW CO-INVESTMENTS BY SECTOR

Information technology	69%
Industrials	31%

BUYOUT ANALYSIS[1]

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 13.8 times, compared to 10.8 times and 13.9 times for the FTSE All-Share and MSCI World indices respectively.

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

PIP's sample valuation multiple of 13.8 times should be considered in the context of the buyout sample's underlying growth rates relative to the MSCI World Index.

Revenue and EBITDA growth
Weighted average revenue and EBITDA growth of 17.2% and 15.2% respectively for PIP's sample buyout companies continued to exceed growth rates seen among companies that constitute the MSCI World Index. Strong top-line performance, disciplined cost control and good earnings growth, together with an efficient use of capital, underpin the investment thesis of many private equity managers.

Debt multiples
Venture, growth and buyout investments have differing leverage characteristics. Average debt multiples for small/medium 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 portfolio has little or no reliance on leverage.

Large/mega buyout	5.9x
Small/mid buyout	4.2x

[1] *See the Alternative Performance Measures section within the full Interim Report for sample calculations and disclosures.*

LARGEST 50 MANAGERS BY VALUE

% OF TOTAL

RANK	MANAGER	REGION[2]	STAGE BIAS	PRIVATE EQUITY ASSET VALUE[1]
1	Insight Venture Partners	USA	Growth	5.7%
2	Providence Equity Partners	USA	Buyout, Growth	5.3%
3	Essex Woodlands	USA	Growth	4.9%
4	Apax Partners SA	Europe	Buyout	2.8%
5	Baring Private Equity Asia	Asia & EM	Growth	2.6%
6	Gemini Capital	Europe	Venture	2.4%
7	Index Ventures	Global	Growth, Venture	2.1%
8	Mid-Europa Partners	Europe	Buyout	2.0%
9	Veritas Capital	USA	Buyout	2.0%
10	Energy & Minerals Group	USA	Special situations	2.0%
11	IK Investment Partners	Europe	Buyout	1.8%
12	Parthenon Capital	USA	Buyout	1.7%
13	LYFE Capital	Asia & EM	Growth	1.7%
14	Advent International	Global	Buyout	1.7%
15	ABRY Partners	USA	Buyout	1.6%
16	Warburg Pincus Capital	Global	Growth	1.6%
17	Hg	Europe	Buyout	1.6%
18	Ares Management	USA	Buyout	1.6%
19	Hellman & Friedman	USA	Buyout	1.5%
20	Searchlight Capital Partners	Global	Special situations	1.5%
21	BC Partners	Europe	Buyout	1.4%
22	HIG Capital	USA	Buyout	1.3%
23	Texas Pacific Group	USA	Buyout	1.2%
24	Calera Capital	USA	Buyout	1.1%
25	Growth fund[3]	USA	Growth	1.0%
26	Quantum Energy Partners	USA	Special situations	1.0%
27	Oak HC/FT	USA	Growth	1.0%
28	NMS Management	USA	Buyout	1.0%
29	Lee Equity Partners	USA	Growth	1.0%
30	Equistone Partners Europe	Europe	Buyout	0.9%
31	Francisco Partners	USA	Buyout	0.9%
32	IVF Advisors	Asia & EM	Buyout	0.9%
33	Wasserstein Partners	USA	Buyout	0.8%
34	Altor Capital	Europe	Buyout	0.8%
35	ECI Partners	Europe	Buyout	0.8%
36	Sageview Capital	USA	Growth	0.8%
37	PAI Partners	Europe	Buyout	0.8%
38	Shamrock Capital Advisors	USA	Buyout	0.8%
39	Apollo Advisors	USA	Buyout	0.7%
40	Avenue Broadway Partners	Europe	Buyout	0.7%
41	Abris Capital	Europe	Buyout	0.7%
42	Marguerite	Europe	Special situations	0.7%
43	Horizon Capital	Europe	Buyout	0.6%
44	J.C. Flowers & Co	USA	Buyout	0.6%
45	CHAMP	Asia & EM	Buyout	0.6%
46	The Vistria Group	USA	Buyout	0.6%
47	Madison India Capital	Asia & EM	Buyout	0.6%
48	CVC Capital Partners	Europe	Buyout	0.6%
49	Idinvest Partners	Europe	Growth	0.5%
50	3i Group	Europe	Buyout	0.5%
COVERAGE OF PIP's TOTAL PRIVATE EQUITY ASSET VALUE[1]				**73.0%**

[1]Percentages look-through feeders and funds-of-funds and excludes the portion of the reference portfolio attributable to the ALN.
[2]Refers to the regional exposure of funds.
[3]The private equity manager does not permit the Company to disclose this information.

LARGEST 50 COMPANIES BY VALUE

NUMBER	COMPANY	COUNTRY	SECTOR	% OF PIP'S NAV
1	EUSA Pharma[2]	UK	Healthcare	3.9%
2	JFrog[3]	Israel	Information technology	1.8%
3	Allegro[2,3]	Poland	Consumer	1.1%
4	Insurance company[2,4]	USA	Financials	1.0%
5	Abacus Data Systems[2]	USA	Information technology	1.0%
6	ZeniMax Media	USA	Communication services	0.9%
7	Ophthalmology company[4]	USA	Healthcare	0.9%
8	Software company [2,4]	USA	Information technology	0.9%
9	Chewy[2,3]	USA	Consumer	0.9%
10	Visma[2]	Norway	Information technology	0.8%
11	Ascent Resources [2]	USA	Energy	0.8%
12	Signature Foods[2]	Netherlands	Consumer	0.7%
13	Marlink[2]	France	Communication services	0.7%
14	Nexi[2,3]	Italy	Information technology	0.6%
15	Vistra Group[2]	Hong Kong	Financials	0.6%
16	Atria Convergence Technologies[2]	India	Communication services	0.6%
17	Recorded Future[2]	USA	Information technology	0.6%
18	Froneri	UK	Consumer	0.6%
19	ALM Media[2]	USA	Communication services	0.6%
20	Arnott Industries[2]	USA	Consumer	0.6%
21	CPG International	USA	Industrials	0.5%
22	Centric Group[2]	USA	Consumer	0.5%
23	Apollo Education Group[2]	USA	Consumer	0.5%
24	CallRail[2]	USA	Information technology	0.5%
25	Star Health Insurance[2]	India	Financials	0.5%

26	nCino	USA	Information technology	0.5%
27	Alion Science and Technology[2]	USA	Industrials	0.5%
28	Profi Rom Food[2]	Romania	Consumer	0.5%
29	Action	Netherlands	Consumer	0.5%
30	WalkMe	USA	Information technology	0.5%
31	Kyobo Life Insurance	South Korea	Financials	0.5%
32	Virence Health Technologies	USA	Healthcare	0.5%
33	CIPRES Life[2]	France	Financials	0.4%
34	KD Pharma Group[2]	Germany	Healthcare	0.4%
35	Mobilitie[2]	USA	Communication services	0.4%
36	Vertical Bridge[2]	USA	Communication services	0.4%
37	OWP Butendiek	Germany	Others	0.4%
38	LogicMonitor[2]	USA	Information technology	0.4%
39	Burning Rock Biological Technology	China	Healthcare	0.4%
40	GE Capital Services India	India	Financials	0.4%
41	Univativ[2]	Germany	Industrials	0.4%
42	Southern Dental Alliance[2]	USA	Healthcare	0.4%
43	Nord Anglia Education[2]	Hong Kong	Consumer	0.4%
44	Millennium Trust[2]	USA	Financials	0.4%
45	Cotiviti Holdings[2]	USA	Healthcare	0.4%
46	Therapy Brands	USA	Information technology	0.4%
47	Correct Care Solutions[2]	USA	Healthcare	0.3%
48	Confie Seguros[2]	USA	Financials	0.3%
49	Software company[2,4]	USA	Information technology	0.3%
50	CHECK24	Germany	Communication services	0.3%
COVERAGE OF PIP's PRIVATE EQUITY ASSET VALUE				**32.4%**

[1] *The largest 50 companies table is based upon underlying company valuations at 30 September 2020 adjusted for known call and distributions to 30 November 2020, and includes the portion of the reference portfolio attributable to the ALN.*

[2] *Co-investments/directs.*

[3] *Listed companies.*

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

PORTFOLIO CONCENTRATION

70 managers and 425 companies account for approximately 80% of PIP's total exposure[1].

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

INTERIM MANGEMENT REPORT AND RESPONSIBILITY STATEMENT OF THE DIRECTORS

Interim Management Report

In Respect of the Half-Yearly Financial Report

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

The principal risks facing the Company are substantially unchanged since the date of the Annual Report for the financial period ended 31 May 2020 and continue to be as set out in that report on pages 32 to 35.

Risks faced by the Company include, but are not limited to, the impact of COVID-19 on the global economy and underlying portfolio companies, funding of investment commitments and default risk, risks relating to investment opportunities, financial risk of private equity, long-term nature of private equity investments, valuation uncertainty, gearing, foreign currency risk, the unregulated nature of underlying investments, counterparty risk, taxation, the risks associated with the engagement of the Manager or other third-party advisers, Brexit and cybersecurity risks.

Responsibility Statement

Each Director confirms that to the best of their knowledge:

- The condensed set of financial statements has been prepared in accordance with FRS 102 and FRS 104 'Interim Financial Reporting'; and gives a true and fair view of the assets, liabilities, financial position and return of the Company;

- This interim Financial Report includes a fair review of the information required by:

  (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period; and any changes in the related party transactions described in the last annual report that could do so.

This Interim Financial Report was approved by the Board on 24 February 2021 and was signed on its behalf by Sir Laurie Magnus, Chairman.

CONDENSED INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS TO 30 NOVEMBER 2020

	SIX MONTHS TO 30 NOVEMBER 2020			SIX MONTHS TO 30 NOVEMBER 2019			YEAR TO 31 MAY 2020		
	REVENUE £'000	**CAPITAL £'000**	**TOTAL* £'000**	REVENUE £'000	CAPITAL £'000	TOTAL* £'000	REVENUE £'000	CAPITAL £'000	TOTAL* £'000

Gains on investments at fair value through profit or loss**	**-**	**151,699**	**151,699**	-	22,941	22,941	-	72,264	72,264
(Losses)/gains on financial instruments at fair value through profit or loss - ALN**	**(522)**	**(2,994)**	**(3,516)**	(94)	4,160	4,066	(502)	277	(225)
Currency (losses)/gains on cash and borrowings	**-**	**(9,512)**	**(9,512)**	-	(5,044)	(5,044)	-	1,403	1,403
Investment income	**6,530**	**-**	**6,530**	5,764	-	5,764	11,198	-	11,198
Investment management fees	**(9,048)**	**-**	**(9,048)**	(8,861)	-	(8,861)	(17,674)	-	(17,674)
Other expenses	**(645)**	**(770)**	**(1,415)**	(313)	(935)	(1,248)	(730)	(1,719)	(2,449)
RETURN BEFORE FINANCING COSTS AND TAXATION	**(3,685)**	**138,423**	**134,738**	(3,504)	21,122	17,618	(7,708)	72,225	64,517
Interest payable and similar expenses	**(1,683)**	**-**	**(1,683)**	(1,077)	-	(1,077)	(2,223)	-	(2,223)
RETURN BEFORE TAXATION	**(5,368)**	**138,423**	**133,055**	(4,581)	21,122	16,541	(9,931)	72,225	62,294
Taxation (Note 5)	**5,634**	**-**	**5,634**	(1,065)	-	(1,616)	-	(1,616)	(1,616)
RETURN FOR THE PERIOD BEING TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR (Note 10)	**266**	**138,423**	**138,689**	(5,646)	21,122	15,476	(11,547)	72,225	60,678
RETURN PER SHARE BASIC AND DILUTED (Note 10)	**0.49p**	**255.91p**	**256.40p**	(10.44)p	39.05p	28.61p	(21.35p)	133.53p	112.18p

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

** Includes currency movements on investments.

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

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

No operations were acquired or discontinued during the period.

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

The Notes form part of these financial statements

CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS TO 30 NOVEMBER 2020

	SHARE CAPITAL £'000	SHARE PREMIUM £'000	CAPITAL REDEMPTION RESERVE £'000	OTHER CAPITAL RESERVE £'000	CAPITAL RESERVE ON INVESTMENTS HELD £'000	REVENUE RESERVE £'000	TOTAL £'000
Movement for the six months to 30 November 2020							
Opening equity shareholders' funds	**36,240**	**269,535**	**3,325**	**842,675**	**503,307**	**(95,816)**	**1,559,266**
Return for the period	**-**	**-**	**-**	**50,678**	**87,745**	**266**	**138,689**
CLOSING EQUITY SHAREHOLDERS' FUNDS	**36,240**	**269,535**	**3,325**	**893,353**	**591,052**	**(95,550)**	**1,697,955**
Movement for the six months to 30 November 2019							
Opening equity shareholders' funds	**36,240**	**269,535**	**3,325**	**735,104**	**538,653**	**(84,269)**	**1,498,588**
Return for the period	**-**	**-**	**-**	**59,299**	**(38,177)**	**(5,646)**	**15,476**
CLOSING EQUITY SHAREHOLDERS' FUNDS	**36,240**	**269,535**	**3,325**	**794,403**	**500,476**	**(89,915)**	**1,514,064**
Movement for the year ended 31 May 2020							
Opening equity shareholders' funds	**36,240**	**269,535**	**3,325**	**735,104**	**538,653**	**(84,269)**	**1,498,588**
Return for the year	**-**	**-**	**-**	**107,571**	**(35,346)**	**(11,547)**	**60,678**
CLOSING EQUITY SHAREHOLDERS' FUNDS	**36,240**	**269,535**	**3,325**	**842,675**	**503,307**	**(95,816)**	**1,559,266**

The Notes form part of these financial statements

CONDENSED BALANCE SHEET
(UNAUDITED)
AS AT 30 NOVEMBER 2020

	30 NOVEMBER 2020 £'000	30 NOVEMBER 2019 £'000	31 MAY 2020 £'000
Fixed assets			
Investments at fair value	**1,596,760**	1,434,244	1,495,689
Current assets			
Debtors	**5,478**	14,282	1,259
Cash at bank	**151,079**	145,488	130,091
	156,557	159,770	131,350
Creditors: amounts falling due within one year			
Other creditors	**5,455**	6,048	10,030
	5,455	6,048	10,030
NET CURRENT ASSETS	**151,102**	153,722	121,320
TOTAL ASSETS LESS CURRENT LIABILITIES	**1,747,862**	1,587,966	1,617,009
Creditors: Amounts falling due after one year			
Asset Linked Note (Note 8)	**49,907**	73,902	57,743
	49,907	73,902	57,743
NET ASSETS	**1,697,955**	1,514,064	1,559,266
Capital and reserves			
Called-up share capital (Note 9)	**36,240**	36,240	36,240
Share premium	**269,535**	269,535	269,535
Capital redemption reserve	**3,325**	3,325	3,325
Other capital reserve	**893,353**	794,403	842,675
Capital reserve on investments held	**591,052**	500,476	503,307
Revenue reserve	**(95,550)**	(89,915)	(95,816)
TOTAL EQUITY SHAREHOLDERS' FUNDS	**1,697,955**	1,514,064	1,559,266
NET ASSET VALUE PER SHARE - ORDINARY (NOTE 11)	**3,139.16p**	2,799.19p	2,882.75p
TOTAL ORDINARY SHARES IN ISSUE (NOTE 9)	**54,089,447**	54,089,447	54,089,447

The Notes form part of these financial statements.

CONDENSED CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS TO 30 NOVEMBER 2020

	SIX MONTHS TO 30 NOVEMBER 2020 £'000	SIX MONTHS TO 30 NOVEMBER 2019 £'000	YEAR TO 31 MAY 2020 £'000
Cash flow from operating activities			
Investment income received	**6,446**	5,116	10,356
Deposit and other interest received	**82**	742	952
Investment management fees paid	**(8,996)**	(8,885)	(17,623)
Secretarial fees paid	**(141)**	(118)	(219)
Depositary fees paid	**(127)**	(127)	(219)
Legal and professional fees paid	**(828)**	(1,111)	(1,913)
Other cash payments*	**(756)**	(870)	(1,517)
Taxation recovered from prior years	**6,135**	-	-
Withholding tax deducted	**(428)**	(1,213)	(1,776)
NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	**1,387**	(6,466)	(11,959)
Cash flows from investing activities			
Purchases of investments	**(75,853)**	(101,038)	(239,251)
Disposals of investments	**122,095**	128,108	267,126
NET CASH INFLOW FROM INVESTING ACTIVITIES	**46,242**	27,070	27,875
Cash flows from financing activities			

ALN repayments	**(15,948)**	(11,897)	(28,023)
Loan commitment and arrangement fees paid	**(1,264)**	(907)	(1,816)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	**(17,212)**	(12,804)	(29,839)
INCREASE/(DECREASE) IN CASH IN THE PERIOD/YEAR	**30,417**	7,800	(13,923)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	**130,091**	142,773	142,773
FOREIGN EXCHANGE (LOSSES)/GAINS	**(9,429)**	(5,085)	1,241
CASH AND CASH EQUIVALENTS AT END OF PERIOD/YEAR	**151,079**	145,488	130,091

* Includes interest paid during the period of £17,000 (30 November 2019: £16,000; 31 May 2020: £31,000).

The Notes form part of these financial statements.

NOTES TO THE HALF-YEARLY FINANCIAL STATEMENTS (UNAUDITED)

1. Basis of preparation
The Company applies FRS 102 and the Association of Investment Companies ("AIC") SORP for its financial period ending 31 May 2020 in its Financial Statements. The financial statements for the six months to 30 November 2020 have therefore been prepared in accordance with FRS 104 "Interim Financial Reporting". The financial statements have been prepared on the same basis as the accounting policies set out in the statutory accounts for the period ended 31 May 2020. They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The Company's financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£'000) except when indicated otherwise.

The financial information contained in this Interim Report and Accounts and the comparative figures for the financial year ended 31 May 2020 are not the Company's statutory accounts for the financial period as defined in the Companies Act 2006. The financial information for the half year periods ended 30 November 2020 and 30 November 2019 are not for a financial year and have not been audited but have been reviewed by the Company's auditors and their report can be found below. The Annual Report and Financial Statements for the financial period ended 31 May 2020 have been delivered to the Registrar of Companies. The report of the auditors: (i) was unqualified; (ii) did not include a reference to any matters which the auditors drew attention by way of emphasis without qualifying the report; and (iii) did not contain statements under section 498 (2) and (3) of the Companies Act 2006.

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

COVID-19 presents the biggest risk to the global economy and to individual companies since the 2008 Global Financial Crisis ("GFC"); the unprecedented nature of the COVID-19 pandemic has resulted in significant disruption to global commerce, economic and social hardship and uncertain financial markets.

The Directors have made an assessment of going concern, taking into account the Company's current performance and financial position as at 30 November 2020. In addition, the Directors have assessed the outlook, which considers the potential further impact of the COVID-19 pandemic, using information available as at the date of issue of these financial statements. As part of this assessment, the Directors considered:

- Various downside liquidity modelling scenarios with varying degrees of decline in investment valuations, decreased investment distributions and increased call rates, with the worst being a low case downside scenario representing an impact on to the portfolio that is worse than that experienced during the GFC.

- The Company manages and monitors liquidity regularly, ensuring it is adequate and sufficient and is underpinned by its monitoring of investments, distributions, capital calls and outstanding commitments. Total available financing as at 30 November 2020 stood at £444m (30 November 2019: £331m; 31 May 2020: £431m), comprising £151m (30 November 2019: £154m; 31 May 2020: £121m) in available cash balances and £293m (30 November 2019: £177m; 31 May 2020: £310m) (sterling equivalent) in undrawn bank facilities.

- Total available financing as at 30 November 2020 stood at £444m (30 November 2019: £331m; 31 May 2020: £431m), comprising £151m (30 November 2019: £154m; 31 May 2020: £121m) in available cash balances and £293m (30 November 2019: £177m; 31 May 2020: £310m) (sterling equivalent) in undrawn bank facilities.

- PIP's 30 November 2020 valuation is primarily based on reported GP valuations with a reference date of 30 September 2020, updated for capital movements and foreign exchange impacts. As the longer-term impacts of COVID-19 may not be fully apparent, the Directors have considered the impact that declining valuations could have on the Company's going concern assessment.

- Unfunded commitments - PIP's unfunded commitments at 30 November 2020 were £464m (30 November 2019: £486m; 31 May 2020: £541m). The Directors have considered the maximum level of unfunded commitments which could theoretically be drawn in a 12-month period, the ageing of commitments and available financing to fulfil these commitments. In these scenarios, PIP can take steps to limit or mitigate the impact on the Balance Sheet, namely drawing on the credit facility, pausing on new commitments, selling assets to increase liquidity and reducing outstanding commitments if necessary. In addition, subject to market conditions, the Company could also seek to raise additional credit or capital.

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.

3. AIC SORP
The financial information contained in this report has been prepared in accordance with the SORP for the financial statements of investment trust companies and venture capital trusts issued by the AIC, other than where restrictions are imposed on the Company which prohibit specific disclosures, as noted in the full Interim Report on pages 42 and 43 in relation to where the GP may not allow the disclosure of the related company name within this report.

4.Segmental reporting
The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business.

5.Tax on ordinary activities
The tax charge for the six months to 30 November 2020 is £0.5m (six months to 30 November 2019: £1.1m; year to 31 May 2020: £1.6m). 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. In addition, during the period to 30 November 2020, £6.1m of taxation was recovered from the United States Internal Revenue Service, relating to prior years' taxation, which resulted in an overall tax credit of £5.6m in the period.

6. Transactions with the Manager and related parties
During the period, fees with a total value of £9,243,000, being £9,048,000 directly from Pantheon Ventures (UK) LLP and £195,000 via Pantheon managed fund investments were charged to the Company (30 November 2019: £9,085,000; £8,861,000; and £224,000; year to 31 May 2020: £18,102,000; £17,674,000 and £428,000 respectively). At 30 November 2020, the amount due to Pantheon Ventures (UK) LLP in respect of management fees, disclosed under creditors, was £1,570,000 (30 November 2019: £1,443,000; 31 May 2020: £1,518,000 respectively).

No performance fee is payable in respect of the period to 30 November 2020 (30 November 2019: £nil; year to 31 May 2020: £nil respectively).

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

The Company's related parties are its Directors. Fees paid to the Company's Board for the six months to 30 November 2020 totalled £179,000 (six months to 30 November 2019: £143,000; year to 31 May 2020: £264,000).

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

7. Performance fee
The Manager is entitled to a performance fee from the Company in respect of each 12 calendar month period ending on 31 May in each year and, prior to 31 May 2017, the period of 12 calendar months ending 30 June in each year. The performance fee payable in respect of each such calculation period is 5% of the amount by which the NAV at the end of such period exceeds 110% of the applicable "high-water mark", i.e. the NAV at the end of the previous calculation period in respect of which a performance fee was payable, compounded annually at 10% for each subsequent completed calculation period up to the start of the calculation period for which the fee is being calculated. For the six month calculation period ended 30 November 2020, the notional performance fee hurdle is a NAV per share of 3,995.05p. The performance fee is calculated using the adjusted NAV.

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

No performance fee has been paid.

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

The ALN is held at fair value through profit or loss and therefore movements in fair value are reflected in the Income Statement. The Directors do not believe there to be a material own credit risk, due to the fact that repayments are only due when net cash flow is received from the reference portfolio. Fair value is calculated as the sum of the ALN share of fair value of the reference portfolio plus the ALN share of undistributed net cash flow which is equivalent to the amount which would be required to be repaid had the ALN matured on 30 November 2020. Therefore no fair value movement has occurred during the period as a result of changes to credit risk.

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

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

During the six months to 30 November 2020, the Company made repayments totalling £15.9m, representing the ALN share of the net cash flow for the three month period to 31 May 2020 and three month period to 31 August 2020. The fair value of the ALN at 30 November 2020 was £52.7m, of which £2.8m represents the net cash flow for the three months to 30 November 2020, due for repayment on 26 February 2021.

During the six months to 30 November 2019, the Company made repayments totalling £11.9m, representing the ALN share of the net cash flow for the three month period to 31 May 2019 and three month period to 31 August 2019. The fair value of the ALN at 30 November 2019 was £77.7m, of which £3.8m represents the net cash flow for the three months to 30 November 2019, due for repayment on 29 February 2020.

During the year to 31 May 2020, the Company made repayments totalling £28.0m, representing the ALN share of the net cash flow for the year to 29 February 2020. The fair value of the ALN at 31 May 2020 was £65.4m, of which £7.6m represents cash flows for the three months to 31 May 2020, due for repayment on 31 August 2020.

9. Called-Up Share Capital

ALLOTED, CALLED-UP AND FULLY PAID:

	30 NOVEMBER 2020		**30 NOVEMBER 2019**		**31 MAY 2020**	
Allocated, called up and fully paid:	**SHARES**	**£'000**	**SHARES**	**£'000**	**SHARES**	**£'000**
Ordinary Shares of 67p each						
Opening position	**54,089,447**	**36,240**	54,089,447	36,240	54,089,447	36,240
Cancellation of shares		**-**		-		-
CLOSING POSITION	**54,089,447**	**36,240**	54,089,447	36,240	54,089,447	36,240
TOTAL SHARES IN ISSUE	**54,089,447**	**36,240**	54,089,447	36,240	54,089,447	36,240

During the six months ended 30 November 2020, no ordinary shares were bought back in the market for cancellation (six months to 30 November 2019: nil; year to 31 May 2020: nil).

As at 30 November 2020, there were 54,089,447 ordinary shares in issue (30 November 2019: 54,089,447 ordinary shares; year to 31 May 2020: 54,089,447 ordinary shares).

10. Return per Share

	SIX MONTHS TO 30 NOVEMBER 2020			SIX MONTHS TO 30 NOVEMBER 2019				31 MAY 2020	
	REVENUE	**CAPITAL**	**TOTAL**	REVENUE	CAPITAL	TOTAL	REVENUE	CAPITAL	TOTAL
Return for the financial period £'000	**266**	**138,423**	**138,689**	(5,646)	21,122	15,476	(11,547)	72,225	60,678
Weighted average no. of shares			**54,089,447**			54,089,447			54,089,447
Return per share	**0.49p**	**255.91p**	**256.40p**	(10.44p)	39.05p	28.61p	(21.35p)	133.53p	112.18p

There are no dilutive effects to the return per share.

11. Net Asset Value per Share

	30 NOVEMBER 2020	30 NOVEMBER 2019	31 MAY 2020
Net assets attributable in £'000	**1,697,955**	1,514,064	1,559,266
Ordinary shares	**54,089,447**	54,089,447	54,089,447
Net asset value per share	**3,139.16p**	2,799.19p	2,882.75p

12. Reconciliation of Return Before Financing Costs and Tax to Net Cash Flow from Operating Activities

	SIX MONTHS TO 30 NOVEMBER 2020 £'000	SIX MONTHS TO 30 NOVEMBER 2019 £'000	YEAR TO 31 MAY 2020 £'000
Return before finance costs and taxation	**134,738**	17,618	64,517
Taxation recovered in respect of prior years	**6,135**	-	-
Withholding tax deducted	**(501)**	(1,065)	(1,616)
Gains on investments	**(151,699)**	(22,941)	(72,264)
Currency losses/(gains) on cash and borrowings	**9,512**	5,044	(1,403)
Increase/(decrease) in creditors	**78**	(348)	(216)
(Increase)/decrease in other debtors	**(94)**	60	65
(Gains)/losses on financial instruments at fair value through profit or loss - ALN	**3,516**	(4,066)	225
Expenses and taxation associated with ALN	**(298)**	(768)	(1,265)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	**1,387**	(6,466)	(11,957)

13. Fair Value Hierarchy
(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. These valuations are reviewed periodically for reasonableness and recorded up to the measurement date. If an investment was 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 better indications of fair value become available, such as through subsequent issues of capital or dealings between third parties, the valuation is adjusted to reflect the new evidence, at each reporting date. This information may include the valuations provided by private equity managers who are also invested in the Company.

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

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

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

(iii) Fair value hierarchy

The fair value hierarchy consists of the following three levels:

- Level 1 - The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date. The Level 1 holdings include publicly listed holdings held directly by the Company from in specie distributions received from underlying investments;
- Level 2 - Inputs other than quoted prices included within level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Financial Assets at Fair Value through Profit or Loss at 30 November 2020

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
Unlisted holdings	-	-	1,595,634	**1,595,634**
Listed holdings	1,126	-	-	**1,126**
TOTAL	1,126	-	1,595,634	**1,596,760**

Financial Liabilities at Fair Value through Profit or Loss at 30 November 2020

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
ALN	**-**	-	52,660	**52,660**
TOTAL	**-**	-	52,660	**52,660**

Financial Assets at Fair Value through Profit or Loss at 31 May 2020

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
Unlisted holdings	-	-	1,494,944	**1,494,944**
Listed holdings	745	-	-	**745**
TOTAL	745	-	1,494,944	**1,495,689**

Financial Liabilities at Fair Value through Profit or Loss at 31 May 2020

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
ALN	-	-	65,386	**65,386**
TOTAL	-	-	65,386	**65,386**

Financial Assets at Fair Value through Profit or Loss at 30 November 2019

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
Unlisted holdings	-	-	1,433,595	**1,433,595**
Listed holdings	649	-	-	**649**
TOTAL	649	-	1,433,595	**1,434,244**

Financial Liabilities at Fair Value through Profit or Loss at 30 November 2019

	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
ALN	-	-	77,719	**77,719**
TOTAL	-	-	77,719	**77,719**

Independent Review Report to the Directors of Pantheon International plc

Introduction

We have been engaged by Pantheon International Plc (the 'Company') to review the condensed set of financial statements in the half yearly financial report for the six months ended 30 November 2020 which comprises the Condensed Income Statement, the Condensed Balance Sheet, the Condensed Statement of Changes in Equity, the Condensed Cash Flow Statement, Basis of Preparation and Accounting Policies and the related notes 1 to 13 (together the 'condensed financial statements'). We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

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

Directors' Responsibilities

The half yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

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

Our Responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half yearly financial report based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half yearly financial report for the six months ended 30 November 2020 is not prepared, in all material respects, in accordance with FRS 104 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Services Conduct Authority.

Ernst & Young LLP
London, United Kingdom
24 February 2021

NATIONAL STORAGE MECHANISM

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

Ends

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