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The Biotech Growth Trust PLC: Fund Manager Review – August 2026

This document provides a review of The Biotech Growth Trust PLC based on the information supplied, including the June 2026 factsheet, the 2026 Annual Report, the January 2026 presentation, Kepler note, webinar notes, the investment policy from the Biotech Growth Trust website, and the recent announcement regarding the acquisition of Forte Biosciences.

This review is slightly different from an open-ended fund review because The Biotech Growth Trust is an investment trust. It is also a single-sector biotechnology strategy, which means the review needs to consider not only performance, process and holdings, but also discount risk, gearing, liquidity, clinical trial risk, M&A risk and how it compares with other healthcare and biotech trusts.

Strategy Overview & Objective

The Biotech Growth Trust seeks capital appreciation through investment in the worldwide biotechnology industry. The trust invests in a diversified portfolio of shares and related securities in biotechnology companies on a global basis, and performance is measured against the NASDAQ Biotechnology Index, sterling adjusted.

The trust is managed by OrbiMed Capital LLC, which has managed the portfolio since 19 May 2005. OrbiMed is a specialist healthcare investment manager, with approximately US$20bn of assets under management as at 31 March 2026, across investment trusts, hedge funds and private equity funds.

In simple terms:

This is a specialist biotech trust managed by a specialist healthcare investor.

It is not broad healthcare.

It is not a defensive healthcare fund.

It is a growth-focused biotechnology trust, with a clear bias towards innovation, smaller and mid-sized biotechnology companies, clinical catalysts and M&A opportunities.

At a Glance

Area	Detail
Trust	The Biotech Growth Trust PLC
Ticker	BIOG
Structure	UK-listed investment trust
Launch date	June 1997
AIC sector	Biotechnology & Healthcare
Portfolio manager	OrbiMed Capital LLC
Portfolio managers	Geoffrey Hsu and Josh Golomb
Benchmark	NASDAQ Biotechnology Index, net total return, sterling adjusted
Number of holdings	86 as at 30 June 2026
Net assets	£336.9m as at 30 June 2026
Market capitalisation	£304.4m as at 30 June 2026
Share price	1,582.00p as at 30 June 2026
NAV	1,750.55p as at 30 June 2026
Discount	9.6% as at 30 June 2026
Ongoing charges ratio	1.2%
Gearing	6.9% AIC basis
Active share	82.8%
Portfolio turnover	215.6% p.a.
Dividend policy	It is not anticipated that the company will pay a dividend
Continuation vote	2028 AGM

The June 2026 factsheet is helpful because it shows the nature of the strategy clearly: high active share, high turnover, meaningful gearing, a wide portfolio of biotech holdings and no income objective.

A Note on Investment Trusts

The Biotech Growth Trust is an investment trust.

This matters.

An investment trust is a listed company. Investors buy and sell shares in the trust on the stock market. The share price can therefore be different from the value of the underlying portfolio.

This means the shares can trade:

- At a discount to NAV
- At a premium to NAV
- In line with NAV

As at 30 June 2026, BIOG traded on a 9.6% discount.

That discount can be an opportunity if it narrows.

It can also be a risk if it widens.

The trust also uses gearing. The investment policy states that borrowings will not exceed 20% of net assets, while derivative exposure and equity swaps are subject to separate limits.

In simple terms:

The investment trust structure gives the manager more tools but gives advisers more things to monitor.

A Note on Single-Sector Biotech Investing

Biotechnology is a specialist sector.

It is not the same as buying a global equity fund.

It is not even the same as buying a broad healthcare fund.

Healthcare can sometimes be defensive. Large pharmaceutical, healthcare equipment, and healthcare services companies can have recurring revenues and more established business models.

Biotech is different.

Biotech returns can be driven by:

- Clinical trial results
- Regulatory decisions
- FDA approvals
- Drug pricing
- Patent cliffs
- Funding markets
- M&A
- Scientific breakthroughs
- Investor appetite for smaller growth companies
- Interest rates

This is why the trust can perform very strongly in the right environment but can also suffer sharp drawdowns when biotech is out of favour.

The key client communication point is this:

Biotech is innovation-led growth, not defensive healthcare.

Investment Philosophy

The trust is managed around a simple but high-risk idea:

Find biotechnology companies where scientific innovation can create significant shareholder value.

The strategy focuses on companies developing treatments for areas of unmet medical need, where clinical success, approval, commercialisation or acquisition could unlock value.

The fund manager's webinar notes emphasise that performance over the last year was broad-based, with contributions from Phase 2 companies, Phase 3 companies, commercial companies, therapeutic areas such as cardiovascular, oncology, and immunology, and M&A transactions.

This is important.

The recent recovery has not been built on a single theme.

The philosophy combines:

- Specialist scientific research
- Bottom-up stock selection
- Exposure to innovation
- A bias towards small and mid-cap biotech
- Active management around clinical catalysts
- M&A opportunity
- Global sourcing, particularly the US and selected China exposure

The manager does not appear to be trying to hug the benchmark.

That is supported by the active share of 82.8% as at 30 June 2026.

In simple terms:

BIOG is trying to own the biotech companies that OrbiMed believes can create the most value, not simply the largest names in the index.

Team & Resources

The trust is managed by Geoffrey Hsu and Josh Golomb at OrbiMed.

Geoffrey Hsu has been portfolio manager of The Biotech Growth Trust since May 2005. Josh Golomb became co-manager in 2023 and has long experience covering biotechnology and pharmaceutical companies. The supplied presentation identifies both as senior OrbiMed professionals focused on biotechnology.

OrbiMed is a major strength.

The Annual Report notes that OrbiMed had over 150 professionals covering research, trading, finance and compliance, including more than 30 degree holders with MD and/or PhD credentials.

This matters because biotech is not an area where generalist analysis is enough.

A manager needs to understand:

- Drug biology
- Clinical trial design
- Regulatory pathways
- Competitive data
- Commercial potential

- M&A dynamics
- Funding requirements
- Management quality

The webinar notes also highlight OrbiMed's broader platform, including private equity, Asia private equity, royalty and credit businesses, and note that Biotech Growth Trust and Worldwide Healthcare Trust make up the majority of OrbiMed's public equity business.

This is useful because it gives BIOG access to a specialist network.

The risk is that expectations should be high.

If an adviser is paying for specialist OrbiMed management, the trust should be expected to add value over time.

Investment Process

The process is bottom-up, specialist and catalyst-aware.

The official investment policy states that OrbiMed uses intensive proprietary research, rigorous financial analysis, exhaustive scientific review, frequent meetings with management and consultations with physicians and industry experts.

The process can be summarised as follows.

1. Identify Areas of Innovation

The team looks for areas where medical science is advancing and where the market opportunity is significant.

These include:

- Oncology
- Central nervous system disorders
- Cardiovascular disease
- Immunology
- Rare diseases
- Gene therapy
- Gene editing
- Oligonucleotide therapeutics
- Multispecific antibodies
- Cell therapy

The presentation shows BIOG exposure across a range of technologies, including gene therapy/gene editing, oligonucleotide therapeutics, multispecific antibodies/T-cell engagers, antibody-drug conjugates and cell therapy.

2. Focus on Small and Mid-Cap Biotech

This is a key part of the trust.

The managers entered the latest financial year overweight small- and mid-cap biotechnology companies because they believed those areas were undervalued relative to larger peers. The webinar notes state that this positioning was "exactly the right call" during the period under review, as small- and mid-cap biotech significantly outperformed large-cap biotech.

This is the opportunity.

It is also a risk.

Small and mid-cap biotech can produce significant upside, but it is volatile.

3. Manage Clinical Catalyst Risk

Biotech companies can be binary.

A positive trial result can transform a company.

A failed trial can destroy value.

The presentation states that position sizing depends on conviction, liquidity and risk/reward, and that the team aims not to lose more than 100 basis points of performance on a single catalyst.

This is important.

The trust can take risks, but it is not intended to be a high-risk venture.

4. Use Gearing Selectively

The trust can use gearing.

As of 30 June 2026, gearing was 6.9% on the AIC basis.

Gearing can help when the sector is rising.

It can hurt when the sector falls.

For a volatile sector like biotech, this needs careful monitoring.

5. Use the OrbiMed Platform

The manager can draw on OrbiMed's global healthcare resources, including expertise in public markets, private equity, Asia, royalty finance and broader healthcare.

This is a key differentiator versus less specialist managers.

Portfolio Overview

As of 30 June 2026, BIOG had 86 holdings.

The top ten holdings were:

- C4 Therapeutics – 4.4%
- Palvella Therapeutics – 3.3%
- Travere Therapeutics – 3.0%
- Praxis Precision Medicines – 2.9%
- Rhythm Pharmaceuticals – 2.9%
- Biogen – 2.8%
- uniQure – 2.7%
- Arcutis Biotherapeutics – 2.5%
- Kiniksa Pharmaceuticals – 2.4%
- Relmada Therapeutics – 2.4%

The top ten represented 29.3% of total investments.

This is an important point.

The trust is active, but it is not dominated by any single holding.

That is sensible given the binary nature of biotech.

Geographically, the portfolio was:

- North America – 84.0%
- Continental Europe – 8.2%
- China – 4.5%
- United Kingdom – 2.4%
- Taiwan – 0.6%
- Unquoted – 0.3%

The trust is therefore heavily North America-led, with selective exposure elsewhere.

The unquoted exposure is low.

This is a major difference from RTW Biotech Opportunities.

BIOG is primarily a listed biotech strategy, whereas RTW has a much more explicit public/private lifecycle model.

Recent M&A: Forte Biosciences

The recent Forte Biosciences announcement is worth highlighting because it shows the strategy working in real time.

On 28 July 2026, BIOG noted that argenx had agreed to acquire Forte Biosciences for approximately US$2.2bn, or US$77 per share in cash, a 40.5% premium to Forte's closing price on 24 July. Forte represented 3.03% of BIOG's NAV at the time of announcement.

Geoff Hsu stated that BIOG invested in Forte in November 2024 at US$5.552 per share as part of a confidentially marketed private placement, and that OrbiMed was among a select group of investors invited to participate.

This is a useful example.

It shows:

- Access to early-stage or under-recognised opportunities
- OrbiMed's network advantage
- M&A as a real return driver
- The value of specialist sector knowledge
- Why small and mid-cap biotech can create outsized returns

But it also shows the flip side.

These outcomes are lumpy.

They cannot be relied on every year.

Performance Overview

Performance has been very strong recently.

As of 30 June 2026:

Period	NAV	Share Price	Benchmark
1 month	19.2%	20.6%	11.4%
3 months	23.7%	25.6%	12.3%
YTD	30.2%	31.8%	17.0%
1 year	124.5%	120.9%	61.4%
3 years	101.5%	96.5%	55.9%
5 years	20.6%	12.4%	34.0%
10 years	163.2%	160.4%	146.2%
Since OrbiMed appointment	1652.3%	1578.5%	1520.1%

This gives a balanced picture.

The good news

- Very strong 1-year performance
- Strong 3-year performance
- Outperformance over 10 years
- Outperformance since OrbiMed appointment
- Recovery extended into June 2026
- NAV and share price both strongly ahead over the last year

The caution

- Five-year NAV performance still lags the benchmark
- Share price return over five years is lower than the NAV due to discount movement
- Recent returns have followed a difficult period
- The strategy is very exposed to whether the biotech recovery continues

The 2026 Annual Report shows the same pattern. For the year to 31 March 2026, NAV rose 73.4%, and the benchmark rose 35.0%, while the share price rose 67.1%. However, the five-year picture to 31 March 2026 remained weak, with NAV down 2.2%, share price down 11.6% and the benchmark up 30.0%.

In simple terms:

The recovery has been powerful, but the five-year scar tissue remains.

What Has Driven Performance?

The Annual Report states that performance in the year to 31 March 2026 was driven by improving sector sentiment, effective portfolio positioning, successful stock-specific outcomes, accelerating M&A activity, and the portfolio's emphasis on small- and mid-cap biotechnology companies.

The webinar adds further colour.

The manager described performance as broad-based, across Phase 2 companies, Phase 3 companies, commercial companies, cardiovascular, oncology, immunology and M&A transactions.

The main drivers have been:

1. Small and Mid-Cap Biotech Recovery

The trust was positioned for small and mid-cap biotech to recover.

That has helped.

2. M&A

The trust has benefited from multiple takeovers.

The recent Forte transaction follows other portfolio M&A outcomes, including Avidity Biosciences, Cidara Therapeutics, Amicus Therapeutics, Apellis Pharmaceuticals, Kalvista Pharmaceuticals, Esperion Therapeutics, Nuvalent and AtaiBeckley.

3. Improved Sentiment

Biotech has benefited from a more constructive backdrop, including clearer political and regulatory risks, interest rate expectations and renewed investor appetite for areas outside the mega-cap AI trade.

4. Innovation

The manager's presentation highlights oncology, CNS disorders, gene therapy, antibody-drug conjugates, multispecific antibodies and other novel technologies as areas of active innovation.

5. Discount and Gearing

The Annual Report notes that gearing contributed 2.4% to NAV total return during the year to 31 March 2026, while buybacks also supported NAV returns.

This is a reminder that with investment trusts, outcomes are not only driven by portfolio holdings.

Macro Environment and Themes

The current biotech backdrop is more constructive than it has been for several years.

The key themes are:

1. Biotech Valuations

The manager argues that biotech valuations remain attractive, even after the recent rally. The presentation shows biotech valuations recovering from very depressed levels but still well below long-term averages.

This is central to the current case.

The argument is not just that biotech has bounced.

The argument is that the sector remains undervalued relative to fundamentals.

2. Interest Rates

Biotech was hit hard by higher interest rates because many companies are early-stage and cash-flow negative.

Lower or stabilising rates can be helpful because they reduce the discount rate applied to future profits and can improve funding conditions.

3. M&A and the Patent Cliff

Large pharmaceutical companies need to replenish pipelines as major drugs lose patent protection.

This creates a potential opportunity for innovative, smaller biotech companies.

The Forte acquisition is a current example of this M&A theme working within BIOG's portfolio.

4. AI and Drug Development

The webinar notes discuss AI as potentially useful throughout the drug development process, including target identification, drug design, preclinical optimisation, trial design, regulatory submissions and commercialisation.

This is interesting, but should be treated with balance.

AI may improve productivity.

But it will not remove clinical trial risk.

5. FDA and Regulation

The June factsheet notes that the FDA reversal on uniQure was viewed as a sign of a potentially more constructive review environment.

This matters because regulatory decisions can significantly impact biotech valuations.

6. China Innovation

BIOG retains a selective China exposure, although this has reduced.

The Annual Report notes that Chinese biotechnology exposure was 4.7% at 31 March 2026 and that OrbiMed continues to see China as an important centre for biotech innovation, supported by teams in Shanghai and Hong Kong.

China can be an opportunity.

It can also add geopolitical and regulatory risk.

Crossover with Worldwide Healthcare Trust

This is important because both BIOG and WWH are managed by OrbiMed.

However, they are not the same proposition.

Worldwide Healthcare Trust

WWH is a broad global healthcare trust.

It invests across:

- Pharmaceuticals
- Biotechnology
- Medical technology
- Diagnostics
- Healthcare services
- Life science tools
- Biotech M&A basket

WWH is intended to be a broader “one-stop shop” for healthcare exposure.

Biotech Growth Trust

BIOG is much more focused.

It invests in biotechnology companies and places greater emphasis on emerging biotech, small- and mid-cap names, clinical catalysts, and M&A.

Holdings Crossover

Based on the latest materials reviewed, there is limited overlap with the top ten.

BIOG’s June 2026 top ten is dominated by emerging biotech names, including C4 Therapeutics, Palvella, Travere, Praxis, Rhythm, Biogen, uniQure, Arcutis, Kiniksa, and Relmada.

WWH’s latest reviewed top ten included larger healthcare names and structures such as Eli Lilly, the Biotech M&A Target Swap, AstraZeneca, Roche, Merck, Boston Scientific and Intuitive Surgical.

There may be overlap deeper in the portfolios, particularly in names such as CG Oncology, Argenx, UroGen, and other biotech holdings, but the top-ten shape is clearly different.

In simple terms:

WWH is broader healthcare with a biotech sleeve.

BIOG is a specialist biotech.

So, the fact that OrbiMed manages both is a strength from a resource perspective, but it does not mean the trusts are interchangeable.

Comparison with RTW Biotech Opportunities

RTW is the more relevant peer than WWH if the question is direct biotech exposure.

But BIOG and RTW are still different.

BIOG

BIOG is mainly a listed biotechnology trust.

It has low unquoted exposure, at 0.3% as of 30 June 2026.

Its edge comes from OrbiMed's specialist research, stock selection, small/mid-cap positioning, catalyst management and M&A access.

RTW

RTW is a full lifecycle life sciences strategy.

RTW invests across public, private, and royalty exposure and can support companies from private stage through IPO, public market ownership, and potential M&A. Its 2025 Annual Report showed 71% public exposure, 24% private exposure, and 2% royalty exposure at year-end.

This is a major difference.

RTW is more venture-like.

BIOG is more public-market biotech.

Practical Comparison

Area	BIOG	RTW
Main focus	Listed biotech	Public/private life sciences lifecycle
Manager	OrbiMed	RTW Investments
Private exposure	Low	Meaningful
Royalty exposure	No major role	Part of strategy
Portfolio style	Active public biotech stock selection	Company building and lifecycle investing
Main opportunity	Small/mid-cap biotech recovery and M&A	Transformational life sciences assets across lifecycle
Main risk	Biotech volatility, gearing, catalyst risk	Biotech volatility, private valuation risk, discount risk
Client explanation	Specialist biotech trust	Specialist biotech/life sciences innovation trust
Complexity	High	Higher

In simple terms:

BIOG is easier to understand than RTW.

RTW is more differentiated but more complex.

For most adviser panels, BIOG may be the cleaner way to access listed biotech recovery. RTW may be more interesting where the committee specifically wants public/private biotech and life sciences exposure.

Peer Context

The AIC Biotechnology & Healthcare sector includes a wide range of strategies.

Some are broad healthcare trusts.

Some are biotech trusts.

Some have private company exposure.

Some are more income or debt-based.

A Winterflood peer group note described BIOG as a trust that generates capital appreciation by investing in the global biotech sector, while RTW aims to achieve superior long-term capital appreciation by forming, building, and supporting life sciences, biopharmaceutical, and medical technology companies.

That peer context matters.

BIOG should not be compared only with broad healthcare trusts.

The better comparison group is:

- International Biotechnology Trust
- RTW Biotech Opportunities
- BB Biotech
- Selected healthcare trusts with meaningful biotech exposure
- NASDAQ Biotechnology Index

The trust has performed very strongly over one and three years to June 2026, but the five-year relative number is still behind the benchmark.

That makes the monitoring point clear:

Has the biotech recovery genuinely started, or have we just seen a sharp rebound from depressed levels?

What the Active Share Tells Us

BIOG had an active share of 82.8% as of 30 June 2026.

That is high.

It suggests the trust is meaningfully different from its benchmark.

This is important because investors are paying for specialist active management.

The trust is not simply replicating the NASDAQ Biotechnology Index.

However, active share is not the same as outperformance.

It only tells us the portfolio is different.

The key monitoring question is:

Is the difference adding value after fees and after taking account of the extra volatility?

Costs and Charges

The ongoing charges ratio was 1.2% as of 30 June 2026.

The annual management fee payable to OrbiMed is 0.65% of net assets, and the AIFM fee payable to Frostrow is tiered based on market capitalisation.

There is also a performance fee arrangement. The Annual Report states that there was no provision within the NAV for any performance fee payable at a future calculation date as at the reporting date, and that the arrangement depends on long-term outperformance.

The cost is not low.

But this is not a passive fund.

The value case depends on whether OrbiMed's specialist capability continues to deliver stock selection, M&A access and long-term outperformance.

Strengths

1. Specialist Manager

OrbiMed is one of the strongest parts of the proposition.

The firm has deep healthcare and biotech resources, including scientific, medical and investment expertise.

2. Long Track Record

OrbiMed has managed BIOG since May 2005. The trust has delivered strong long-term returns since that appointment, although not in a straight line.

3. High Active Share

The active share of 82.8% suggests this is genuinely active management.

4. M&A Access

The recent Forte transaction is a strong example of the manager's ability to access and identify companies before wider market recognition.

5. Small and Mid-Cap Exposure

This has been a major contributor to the recent recovery.

If the biotech recovery continues, this could remain a strength.

6. Diversified Holdings

The top ten accounted for 29.3% of total investments, which is sensible given biotech's binary risk profile.

7. Clear Role

The trust has a clear identity.

It is a specialist biotech growth trust.

That is easier to explain than a fund that tries to be everything.

8. Discount Opportunity

A 9.6% discount may provide additional upside if sentiment improves and the discount narrows, although this is not guaranteed.

Key Risks & Considerations

1. Single-Sector Risk

This is the main risk.

BIOG invests in biotechnology.

It is not diversified across the whole equity market.

2. Biotech Volatility

Biotech is volatile, especially small and mid-cap biotech.

Clinical trial results, approvals and funding conditions can move shares sharply.

3. Clinical Trial Risk

Many holdings have specific data or regulatory catalysts.

A failed trial can materially reduce a company's value.

4. Gearing Risk

The trust uses gearing.

This can enhance returns but can also magnify losses.

5. Discount Risk

The share price can trade below NAV.

A widening discount can hurt shareholder returns even if the underlying portfolio is stable.

6. Five-Year Performance Lag

Despite strong recent performance, the five-year NAV return still trails the benchmark as of 30 June 2026.

7. High Turnover

Portfolio turnover was 215.6% p.a. as of 30 June 2026.

This reflects active trading around catalysts, but it is still a point to monitor.

8. M&A Dependency

M&A can be a powerful driver of returns, but it is unpredictable.

The trust should not be assessed only on whether takeovers continue.

9. Political and Regulatory Risk

Drug pricing, FDA policy, tariffs, funding cuts and healthcare regulation remain key risks.

10. Client Understanding

Clients may hear “healthcare” and think defensive.

BIOG is not defensive healthcare.

It is a specialist biotech.

Role in a Diversified Portfolio

BIOG could have a role as:

Specialist Biotech Satellite

For portfolios where the investment committee wants direct exposure to biotechnology innovation.

Complement to Broader Healthcare

BIOG could sit alongside a broader healthcare trust such as WWH, but only where the total healthcare allocation is large enough, and the extra complexity is justified.

Growth Allocation

The trust is best suited to clients with a long-term horizon and the capacity to withstand volatility.

Thematic Allocation

BIOG may be used by advisers seeking exposure to innovation, M&A, drug development, and medical breakthroughs.

It is less suitable as:

- A core global equity holding
- A cautious-risk allocation
- A defensive healthcare fund
- An income strategy
- A short-term trade
- A replacement for broad healthcare exposure
- A simple passive biotech allocation

In simple terms:

This is a satellite holding, not a core portfolio building block.

Key Monitoring Points

The trust should be monitored against the following:

1. NAV Performance

Is the trust continuing to outperform the NASDAQ Biotechnology Index over rolling three and five-year periods?

2. Five-Year Recovery

Is the five-year performance gap versus the benchmark closing?

3. Small and Mid-Cap Exposure

Is the small and mid-cap bias still adding value?

4. M&A

Are M&A outcomes continuing, and is the portfolio positioned sensibly for takeovers without relying too heavily on them?

5. Discount

Is the discount narrowing, stable or widening?

6. Gearing

Is gearing being used sensibly, given sector volatility?

7. Clinical Catalyst Risk

Are positions sized appropriately around binary events?

8. China Exposure

Is China exposure adding value or adding risk?

9. Portfolio Turnover

Is high turnover justified by risk management and returns?

10. Client Understanding

Can the adviser clearly explain why a client holds specialist biotech exposure?

Money Wise UK View

The Biotech Growth Trust is a credible and specialist way to access biotechnology.

There is a lot to like.

The trust has:

- A specialist manager in OrbiMed
- A long track record
- High active share
- Strong recent performance
- Exposure to small and mid-cap biotech recovery
- Real M&A outcomes
- A diversified portfolio of biotech holdings
- A clear investment identity

The recent Forte Biosciences acquisition is a strong example of the strategy working. It shows the potential benefit of OrbiMed's specialist network and ability to access opportunities before wider market recognition.

However, this is not a simple holding.

The risks are equally clear:

- Single-sector exposure
- Biotech volatility
- Clinical trial risk
- Discount risk
- Gearing risk
- Political and regulatory risk
- High turnover
- Five-year performance still behind the benchmark

The comparison with Worldwide Healthcare Trust is important.

WWH is broader healthcare.

BIOG is a specialist biotech.

The comparison with RTW Biotech Opportunities is also useful.

RTW is more public/private lifecycle biotech and life sciences.

BIOG is a cleaner listed biotech exposure.

For an adviser panel, the decision is not simply whether biotech is interesting.

It is.

The better question is:

Do we want a dedicated biotech allocation, and if so, do we want listed biotech exposure through OrbiMed?

If the answer is yes, BIOG deserves serious consideration.

The recent performance recovery is encouraging. The long-term record under OrbiMed is strong. The current M&A backdrop is supportive. The trust appears well placed if small and mid-cap biotech continues to recover.

However, this should be sized carefully.

It should not be used as a substitute for general healthcare.

It should not be presented as defensive.

It should not be bought simply because recent performance has been strong.

A balanced conclusion:

- Strong specialist proposition
- OrbiMed resource is a major strength
- Better suited to investors who want biotech recovery exposure
- Cleaner than RTW for listed biotech exposure
- More specialist and volatile than WWH
- Best used as a satellite allocation
- Requires careful client explanation and ongoing monitoring

In simple terms:

BIOG is a high-conviction way to access biotechnology innovation.

It may have a role in a diversified portfolio, but only where the adviser and client understand the specialist risk, the investment trust structure, and the volatility that comes with backing early- and emerging-medical innovation.

For most client portfolios, one dedicated biotech trust is likely to be enough.

If selecting one for listed biotech exposure, BIOG has a strong case.

If seeking broader healthcare exposure, WWH is cleaner.

If seeking a more venture-style full lifecycle biotechnology approach, RTW is more differentiated but more complex.

Disclaimer

Past performance is not a reliable guide to future results. The value of investments can fall as well as rise and investors may not get back the amount originally invested. Investment trusts can trade at a discount or premium to net asset value. Gearing, derivatives, smaller companies and specialist sector exposure can increase risk.

Biotechnology investments can be volatile and may be affected by clinical trial outcomes, regulatory decisions, drug pricing, patent expiries, funding conditions, M&A activity and changes in investor sentiment.

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Review completed: August 2026