

Investment Objective

To invest in the global healthcare sector with the objective of achieving a high level of capital growth. In order to achieve its investment objective, the Company invests worldwide in a diversified portfolio of shares in pharmaceutical and biotechnology companies and related securities in the healthcare sector. It uses gearing, and derivative transactions to enhance returns and mitigate risk. Performance is measured against the MSCI World Health Care Index (net total return, sterling adjusted).



Portfolio Manager

Trevor Polischuk

Portfolio Manager

Sven H. Borho



OrbiMed
Healthcare Fund Management

Fast Facts

As at 30 June 2022

| | |
|---|---|
| AIC Sector | Biotechnology & Healthcare |
| Launch Date & appointment of Portfolio Manager | April 1995 |
| Annual Management Fee (payable by the Company): | 0.65% of net assets plus 0.30% of market cap. up to £150m; in the range £150m to £500m 0.2%; in the range £500m to £1bn 0.15%; in the range £1bn to £1.5bn 0.125%; over £1.5bn 0.075% plus £57,500. |
| Performance Fee | See Annual Report for details |
| Ongoing Charges Ratio (OCR)* | 0.9% |
| Continuation Vote | 2024 AGM and every 5 th AGM thereafter |
| Year / Half Year | 31 March / 30 September |
| Capital Structure | 65,233,404 shares 304,351 (treasury) |

*Calculated at the financial year end, includes management fees and all other operating expenses, and excludes performance fees.

Ten Largest Holdings as at 30 June 2022

| Name | Region | Sector | Total |
|----------------------------|---------------|----------------------------------|-------------|
| AstraZeneca | Europe | Pharmaceuticals | 5.9 |
| Bristol-Myers Squibb | North America | Pharmaceuticals | 5.3 |
| Roche | Europe | Pharmaceuticals | 4.2 |
| Humana | North America | Health Care Providers & Services | 4.2 |
| Healthcare M&A Target Swap | North America | Swap Baskets | 4.1 |
| AbbVie | North America | Pharmaceuticals | 4.0 |
| UnitedHealth | North America | Health Care Providers & Services | 3.9 |
| Boston Scientific | North America | Health Care Equipment & Supplies | 3.7 |
| Horizon Therapeutics | North America | Pharmaceuticals | 3.6 |
| Sanofi | Europe | Pharmaceuticals | 3.5 |
| Total | | | 42.4 |

Trust Characteristics

| | |
|--------------------------------|--|
| Number of Holdings | 77 |
| Net Assets (£m) | 2,215.0 |
| Market Capitalisation (£m) | 2,045.1 |
| Dividends | Provisional payment dates: January & July |
| Indicative Yield | 0.8% |
| Gearing | 3.3% |
| Leverage** | Gross 113.0% Commitment 110.2% |
| Share Price (p) | 3135.00 |
| NAV per share (p) (cum income) | 3395.49 |
| (Discount) / Premium | (7.7%) |
| Portfolio Turnover p.a. | 75.9% |
| Active Share*** | 68.6% |

| Sector, Region** & Asset Class*** Breakdown at 30 June 2022* (%) | | | | | |
|--|--------------|-------------------|--------------|-----------------|--------------|
| Pharmaceutical | 34.0 | North America | 67.5 | Listed Equities | 86.6 |
| Biotechnology | 20.4 | Europe | 15.7 | Unquoteds | 7.6 |
| Healthcare Providers / Services | 17.9 | China / Hong Kong | 11.9 | Equity Swaps | 5.8 |
| Healthcare Equipment / Supplies | 17.2 | India | 2.5 | Total | 100.0 |
| Life Sciences Tools & Services | 6.2 | Japan | 2.4 | | |
| Swap Baskets | 4.1 | Total | 100.0 | | |
| Variable Interest | 0.2 | | | | |
| Total | 100.0 | | | | |

*Calculation based on economic exposure and expressed as a % of the total economic exposure. This includes all derivatives as an economically equivalent position in the underlying holding.

**Geographical analysis based on country of primary listing.

***Unquoted securities will not exceed 10% of the portfolio at the time of acquisition.

Source: All portfolio information sourced from Frostrow Capital LLP. Analysis excludes cash and cash equivalents, including liquidity funds.

** The Board has set the maximum leverage limit for both the Gross and the Commitment basis at 140% of the Company's Net Asset Value.

*** Active Share is expressed as a percentage and shows the extent to which a fund's holdings and their weightings differ from those of the fund's benchmark index. A fund that closely tracks its index might have a low Active Share of less than 20% and be considered passive, while a fund with an Active Share of 60% or higher is generally considered to be actively managed.

Codes

| | |
|---|----------------------|
| Sedol | 0338530 |
| ISIN | GB0003385308 |
| Legal Entity Identifier (LEI) | 5493003YBCY4W1IMJU04 |
| Global Intermediary Identification Number (GIIN) | FIZWRN.99999.SL.826 |
| Bloomberg | WWH LN |
| EPIC | WWH |

Investment Policy

The healthcare sector is global and accessing this market as a UK investor can be difficult. The Company offers an opportunity to gain exposure to pharmaceutical, biotechnology and related companies in the healthcare sector on a global scale. The Company invests in large companies with market capitalisations of over U.S.\$10bn, smaller companies below that size, as well as unquoted companies. The portfolio ranges from large multinational pharmaceutical companies with multiple products to unquoted emerging biotechnology companies. The Company's investment policy allows gearing, through borrowing, of up to 20% of net assets and a net exposure to derivative investments (excluding swaps) of up to 5% of the portfolio. Equity swaps may also be used, counterparty exposure here is limited to 12% of the portfolio at the time of acquisition. Unquoted securities will not exceed 10% of the portfolio at the time of acquisition.

| Discrete Performance – Calendar Years (%) | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|------------|
| Percentage Growth 12 Month Return | 2017 | 2018 | 2019 | 2020 | 2021 | YTD |
| NAV | 16.5 | -3.8 | 31.9 | 20.0 | -0.4 | -6.1 |
| Share Price | 20.7 | -5.0 | 32.3 | 19.9 | -2.6 | -12.5 |
| Index | 9.4 | 8.8 | 18.4 | 10.3 | 20.8 | -0.3 |

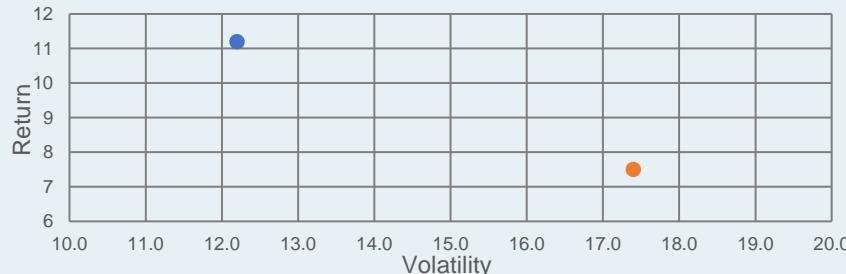
| Standardised Discrete Performance (%) | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Percentage Growth 12 Month Return | Jun 17-Jun 18 | Jun 18-Jun 19 | Jun 19-Jun 20 | Jun 20-Jun 21 | Jun 21-Jun 22 |
| NAV | 8.1 | 3.8 | 33.5 | 8.0 | -11.4 |
| Share Price | 8.0 | 3.1 | 34.2 | 6.9 | -17.6 |
| Index | 3.4 | 15.2 | 16.8 | 10.4 | 10.8 |

Past performance is not a guide to future performance. The value of investments and the income from them may fall as well as rise and is not guaranteed. An investor may receive back less than the original amount invested.

Source: NAV (total return; fully diluted) & share price (total return) – Morningstar. Benchmark – Bloomberg.

Return vs Volatility (5 Years Annualised) – Chart (%)

● Worldwide Healthcare Trust (Price) ● MSCI World HCare Index (total return)



Commentary

In June, the NAV per share total return was 6.4%, the share price total return was 3.6% and the MSCI World Health Care Index was up 0.4%, on a net total return, sterling adjusted basis.

Whilst equity markets declined precipitously into bear market territory in June, healthcare stocks maintained their defensive qualities. Moreover, two sub-sectors that have experienced material sell-offs over the past 12 months plus, emerging biotechnology and China healthcare stocks, both experienced reversions in the month. We are very encouraged by this recent performance as it may be signaling a turn in these sectors that otherwise have endured historic drawdowns over the past year.

Correspondingly, significant outperformance in June was generated by our exposure to both emerging biotechnology (>450 basis points) and China healthcare (>125 basis points). A notable inflection in bio-pharma M&A in the month was the primary driver of biotechnology performance.

On an individual basis, the top three contributors were all biotech companies. Mirati Therapeutics was the largest detractor in the previous fiscal year, but was the largest contributor in June after the company reported impressive combination data for their candidate lung cancer drug, adagrasib. Turning Point Therapeutics, another contributor of import, was acquired by Bristol-Myers Squibb for >100% premium given the former company's pipeline of oncology "targeted therapy" assets. Finally, reputable rumors suggested a near-term bid for the oncology company, Seagen, causing the stock to rise >30% in the month.

The largest absolute detractors in the month were medical technology stocks. A multitude of broad concerns percolated in June – lack of a rebound in procedure volumes, margin pressure from inflationary forces and supply chain issues, and investor concerns about a potential U.S. recession impacting hospital capital equipment purchases. This sub-sector sell-off impacted the entire space, including portfolio companies Stryker, Intuitive Surgical, and Boston Scientific.

Like last month, we are encouraged by the acquisition activity we have observed recently, with several multibillion-dollar deals being consummated and others being purported. We expect this trend to continue, if not accelerate, given the historic sell-off we have witnessed over the past year that has decimated the valuations of the small/mid-cap biotechnology sector, creating discounted valuations that heretofore have not been seen. Additionally, we are also encouraged to see investors take fresh looks at the fundamentals of healthcare, especially in therapeutics as important data sets in oncology, metabolism, and neurology are on the horizon.

Discount / Premium Control Mechanism

The Directors have adopted an active discount management policy through the use of share buybacks, with a view to limiting the discount to the cum income NAV per share at which the shares trade to no more than 6%. It should be noted, however, that it remains possible for the share price discount to the cum income NAV per share to be greater than 6% on any day. Shares bought back may be held in treasury for reissue at later dates at a premium to the prevailing cum income net asset value per share. Any shares left in treasury are cancelled around the time of the AGM. In order to help prevent the share price trading at a significant premium to the NAV per share, the Company has the ability to issue new shares at a 0.7% premium to the cum income NAV per share.

How to Contact Us

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Risk Warnings

This document is for information purposes only and does not constitute an offer or invitation to purchase shares in the Company and has not been prepared in connection with any such offer or invitation. Before investing in the Company, or any other investment product, you should satisfy yourself as to its suitability and the risks involved, and you may wish to consult a financial adviser.

Any return you receive depends on future market performance and is uncertain. The Company does not seek any protection from future market performance so you could lose some or all of your investment. For information on the principal risks the Company is exposed to please refer to the Company's Annual Report or Investor Disclosure Document available at www.worldwidewh.com.

Shares in the Company are bought and sold on the London Stock Exchange. The price you pay or receive, like other listed shares, is determined by supply and demand and may be at a discount or premium to the underlying net asset value of the Company. Usually, at any given time, the price you pay for a share will be higher than the price you could sell it.

The Company has increased its exposure to investments via the use of an overdraft facility and derivatives, and this could potentially magnify any losses or gains made by the Company. The Annual Report and Investor Disclosure Document, available on the Company's website, include further details on the use of, and exposure to, derivatives.

Important Information

Worldwide Healthcare Trust PLC (the Company) is a public limited company whose shares are premium listed on the London Stock Exchange (LSE) and is registered with HMRC as an investment trust.

The Company has an indeterminate life, although shareholders consider and vote on the continuation of the Company every five years (the next such vote will be held in 2024).

This financial promotion is issued by Frostrow Capital LLP which is authorised and regulated by the Financial Conduct Authority ("FCA").

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