WORLDWIDE HEALTHCARE TRUST PLC

HALF YEAR REPORT & ACCOUNTS
for the six months ended
30 September 2021

Frostrow CAPITAL

OrbiMed
Healthcare Fund Management

Worldwide Healthcare Trust PLC

Investment Objective and Policy

Worldwide Healthcare Trust PLC is a specialist investment trust that invests 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. The Company can invest up to 10% of the portfolio, at the time of acquisition, in unquoted securities. Performance is measured against the MSCI World Health Care Index on a net total return, sterling adjusted basis (Benchmark). Further details of the Company's investment policy are set out in the Company's Annual Report and Accounts.

Accessing the Global Market

The healthcare sector is a global one and accessing this global market as a UK investor can be difficult. Within the UK, there are diminishing options for investment as the universe of healthcare companies is shrinking through merger and acquisition activity. The Company offers an opportunity to gain exposure to pharmaceutical, biotechnology and related companies in the healthcare sector on a global scale.

Worldwide Healthcare Trust PLC is able to participate in all aspects of healthcare, anywhere in the world because of its broad investment mandate. These may include patented specialty medicines for small patient populations and unpatented generic drugs, in both developed countries and emerging markets. In addition, the Company invests in medical device technologies, life science tools and healthcare services. The overall geographic spread of Worldwide Healthcare Trust PLC is also extensive with investments in the U.S., Europe, Asia and emerging markets.

How to Invest

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including investment dealing accounts, ISAs, Junior ISAs and SIPPs) which enable both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. Further details can be found on pages 34 and 35.

Company Summary

Governance

Financial Statements

Further Information

For more information about Worldwide Healthcare Trust PLC visit the website at **www.worldwidewh.com**

Follow us on Twitter **@worldwidewh**

Winner – Best Investment Trust in the Specialist Sector – FT Adviser Investment 100 Club Awards 2021

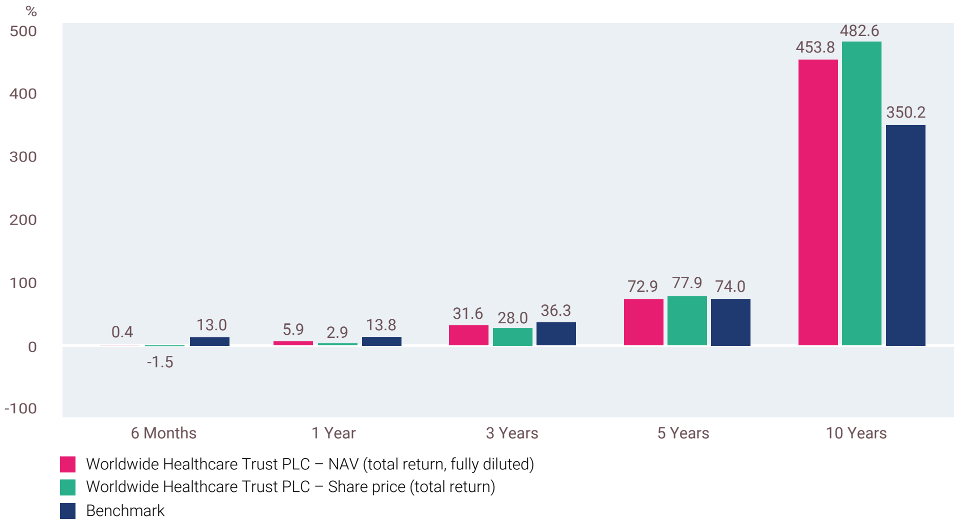
PERFORMANCE

	Six months to 30 September 2021	One year to 31 March 2021
Net asset value per share (total return)* #	0.4%	30.0%
Share price (total return)* #	(1.5%)	27.4%
Benchmark (total return)^ #	13.0%	16.0%

	30 September 2021	31 March 2021	Six months change
Net asset value per share	3,700.7p	3,703.0p	(0.1%)
Share price	3,625.0p	3,695.0p	(1.9%)
Discount of share price to the net asset value per share*	2.0%	0.2%	
Leverage*	14.7%	7.6%	
Ongoing charges*	0.8%	0.9%	
Ongoing charges (including performance fees crystallised during the period)*	1.3%	0.9%	

Source – Morningstar.
^ Benchmark – MSCI World Health Care Index on a net total return, sterling adjusted basis (see glossary beginning on page 29)
* Alternative Performance Measure. Leverage calculated under the Commitment Method (see glossary beginning on page 29)

PERFORMANCE TO 30 SEPTEMBER 2021



Source: Morningstar

CHAIRMAN'S STATEMENT

SIR MARTIN SMITH

PERFORMANCE

Following a period of strong relative and absolute performance, the first six months of the current financial year have proved to be challenging for the Company. While the Company's net asset value per share total return ended the period in positive territory (+0.4%), it significantly underperformed the Company's Benchmark, the MSCI World Healthcare Index, measured on a net total return, sterling adjusted basis, which rose by 13.0%. Sterling depreciated by 2.3% against the U.S. dollar over the period; the U.S. dollar being the currency in which the majority of the Company's investments are denominated. The Company's share price total return of -1.5% fared less well and, as a result, the discount of the Company's share price to the net asset value per share widened to 2.0% as at 30 September 2021from 0.2% at the beginning of the period.

The principal reasons for this underperformance were the significant overweight positions in poorly performing Emerging Biotechnology* and China, a strategy that had previously served the Company well. These sectors were subject to significant volatility as investors rotated to larger stocks in more developed markets, which is why they were the largest contributors to the reported relative underperformance. In addition, absolute performance was affected by the political uncertainty arising from the incoming new Presidential administration in the U.S.

Looking at specific names in the portfolio, the largest contributions during the reporting period came from UK pharmaceutical and biotechnology company **AstraZeneca**, Indian multinational hospital chain company **Apollo Hospitals Enterprise** and U.S. medical supplies company **DexCom**. The largest detractors from performance were Chinese pharmaceutical company **Jiangsu Hengrui Medicine** and U.S. biopharmaceutical companies **Vor Biopharma** and **Haemonetics**. Further information regarding the Company's investments and performance can be found in the Review of Investments beginning on page 4.

The Company had, on average, leverage of 10.9% during the period which contributed 0.04% to performance. As at the half year-end leverage stood at 14.7% compared to 7.6% at the beginning of the period. Our Portfolio Manager continues to adopt both a pragmatic and a tactical approach to the use of leverage.

The underperformance of the Benchmark in the period has resulted in a reversal of the performance fee provision of £18.9m, which now stands at zero. In accordance with the terms of the performance fee arrangements*, following an exceptional period of outperformance in the period to 30 June 2020, which was maintained to June 2021, a performance fee of £12.9m became payable as at 30 June 2021. Further details are provided in note 3 on page 26.

As I have mentioned previously, the Company is able to invest up to 10% of the portfolio, at the time of acquisition, in unquoted securities. Our Portfolio Manager, through its extensive private equity research capability, has continued to identify opportunities which have been added to the portfolio. Exposure to unquoted equities accounted for 7.5% of the total portfolio at the half year-end, and these holdings made a positive contribution of 1.9% to the Company's

* See Glossary beginning on page 29.

performance during the period under review.

CAPITAL

The Board continues to monitor closely the relationship between the Company's share price and the net asset value per share. As a result of continued investor demand, a total of 1,122,500 new shares were issued at a premium to the cum income net asset value per share during the half year, raising £41.7 million of new funds. Following the half year end to 16 November 2021, a further 75,000 new shares were issued at a premium to the cum income net asset value per share, raising £2.8 million of new funds. No shares were repurchased by the Company during the period under review and to 16 November 2021.

As mentioned at the Company's year-end, the ongoing share issuance programme triggered the requirement for the Company to produce a prospectus which was published on 13 July 2021. The prospectus provides authority for the issuance of 20 million new shares. A copy of the prospectus can be found on the Company's website at www.worldwidewh.com

REVENUE AND DIVIDENDS

The revenue return for the period was £9.0 million, compared to £5.6 million in the same period last year. This was due primarily to a rise in portfolio income. The Board has declared an increased interim dividend of 7.0p per share, for the year to 31 March 2022 (2021: 6.5p), which will be payable on 11 January 2022 to shareholders on the register of members on 19 November 2021. The associated ex-dividend date is 18 November 2021.

I remind shareholders that it remains the Company's policy to pay out dividends at least to the extent required to maintain investment trust status. These dividend payments are paid out of the Company's net revenue for the year and, in accordance with investment trust rules, only a maximum of 15% of income can be retained by the Company in any financial year.

It is the Board's continuing belief that the Company's capital should be deployed rather than paid out as dividends to achieve a particular target yield.

OUTLOOK

Our Portfolio Manager continues to believe that despite this disappointing half-year, the positive investment themes which underpin the healthcare sector remain intact and they will continue to focus on the selection of investments with strong prospects for capital growth. They further believe that innovation will continue to be the primary value driver for the healthcare sector. In addition, an expected increase in mergers and acquisitions activity, a relatively benign political environment in the U.S. and a return to favour of both emerging markets healthcare stocks and Emerging Biotechnology companies will lead to an improvement in the Company's performance.

Sir Martin Smith
Chairman

17 November 2021

REVIEW OF INVESTMENTS

MARKETS

The hallmark of equity markets so far in 2021 has been that share price returns are being primarily driven by global factors and events. Whether it be the pandemic "recovery" trade, growth-to-value rotation, large capitalisation companies over small, inflation concerns, interest rate gyrations, or other "factor" influences, the effect of these factors often swamped company specific fundamental factors in moving share prices. As a specialist investor in a highly complex and idiosyncratic industry like healthcare, it was, at best, a frustrating six-month period.

Of course, the global pandemic wrought by the SARS-Cov-2 virus has not ended with the administration of billions of COVID-19 vaccine doses worldwide. Despite the explosion of the highly contagious Delta-variant in mid-2021 across continents, global equity markets continued to move higher, with multiple indices reaching record highs in the period.

At a high level, one critical driver of global equities over the past six-months has been investor sentiment about the global economic outlook. Concerns about U.S. tax reform, global inflation, supply chain disruption and unemployment were ignored as stocks moved higher. Recurring waves of COVID-19 infections across the globe were also ignored by investors as stocks once again moved higher. Globally, investor sentiment was buoyed by an economy that was expected to expand at a pace not seen in 80 years.

Overall, we saw an MSCI World Index total return of 10.7% in the half-year period (sterling adjusted). In the U.S., the S&P 500 finished up 9.2% (dollar) on a total return basis. In the U.K., the FTSE All Share total return was 7.9% (sterling). For healthcare, the Benchmark return was 13.0%. Similarly, the S&P 500 Healthcare Sub-Index (sterling adjusted) rose 12.7% on a total return basis.

PERFORMANCE

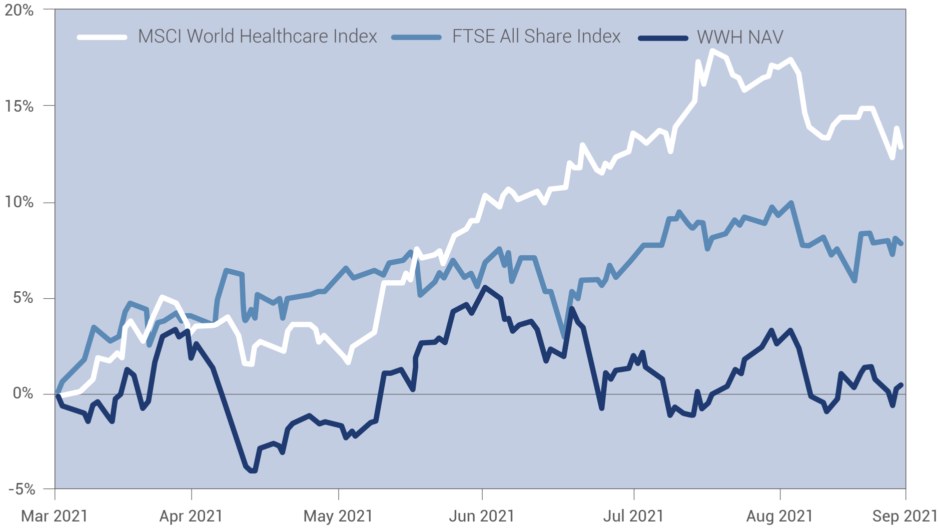
For the six-month period ended 30 September 2021, the Company posted a net asset value total return of +0.4%. and a share price total return of -1.5%. This performance lagged the Benchmark return of +13.0%. The Company's underperformance was due to multiple factors but was focussed on three primary factors.

- First, two subsectors in which we have long held a strategic overweight position – Emerging Biotechnology and China – significantly underperformed.
- Second, a backdrop of a rotation by investors from growth-to-value and from small capitalisation to large capitalisation stocks, hurt the Company's relative performance.
- Third, the persistent threat of U.S. drug price reform created an overhang for some parts of healthcare.

Our investment strategy, centred around innovation, resulted in underperformance during the six-month period. Our preferences for biotechnology over pharmaceuticals, growth over value, and small capitalisation over large capitalisation companies all conspired against relative performance. Despite this recent challenging performance, we plan to maintain this strategy going forward. Whilst this strategy is susceptible to short-term volatility, it has proven successful over the longer term.

Since its inception as of 28 April 1995, the Company's NAV has posted a +4,505.8% total return, or an average of +15.6% per annum through to 30 September 2021. The Company's share price return over the same period has been +4,282.2%, or +15.4% per annum. This compares to a Benchmark return of +1,990.8%, or +12.2% per annum over the same investment horizon and is a testament to the long-term success of our investment approach.

SIX MONTH TOTAL RETURN PERFORMANCE COMPARISON (Worldwide Healthcare Trust vs. MSCI World Healthcare Index vs. FTSE All Share)



SECTOR REVIEW

Two sectors that are long term, key strategic overweight positions for the Company, Emerging Biotechnology and China, were subject to some extreme volatility in the six-month period and were the largest factors in the reported underperformance versus the benchmark. Partially offsetting this poor performance, however, were contributions from other sectors and regions, most notably Medical Devices Pharmaceuticals, and India, as well as from the Company's portfolio of "unquoteds" (a mix of private companies and fixed income).

BIOTECHNOLOGY

Following record performance in 2020, the biotechnology sector, and in particular small and mid-capitalisation stocks, has dramatically underperformed the overall market thus far in 2021. With the post-election political overhang, some negative fundamental news flow, and the abundance of "macro" and sentiment factors driving investor behaviour, the sector has materially underperformed to a record extent.

Additionally, investor concerns about news flow from the U.S. Food and Drug Administration (FDA) increased during the period which applied further pressure to biotechnology valuation levels. In 2021, there were several unexpected regulatory trends from the FDA, notably: surprise Complete Response Letters (effectively "non-approvals" of new drugs), clinical holds (halting a clinical trial due to safety concerns), and deferrals on target action dates (when more time is required to review a new drug application). Also, of note, was the stretched workload of the FDA due to COVID-19 related responsibilities, delaying a plethora of clinical trials, advisory committees, manufacturing site visits, new drug reviews, and vaccine reviews.

The controversial approval of **Biogen**'s Aduhelm (aducanumab) by the FDA, despite mixed clinical trial data and a negative recommendation by an external advisory committee, also hurt investor confidence in the agency, leading investors to become increasingly wary of potential regulatory risks and uncertainties in biotechnology.

Further, the Emerging Biotechnology sector has been plagued by several high-profile negative news events in 2021, including multiple late-stage clinical trial failures as well as unexpected safety problems across clinical trials. This includes some safety concerns among high profile new technologies, like gene editing.

Other issues also created headwinds for biotechnology stocks, including modest levels of mergers and acquisitions (M&A) in the period, a paucity of positive clinical catalysts, and a significant "growth-to-value" rotation that resulted in dramatic underperformance of biotechnology stocks (as measured by the S&P Biotech ETF or XBI) when compared to the S&P 500 Index.

Nevertheless, we remain positive on the outlook for the sector, and believe the broad valuation reset within biotechnology could catalyse strategic action from acquirors, which could help reignite investor interest. These companies remain the cradle of innovation within the sector and will remain a strategic overweight for the Company.

EMERGING MARKETS

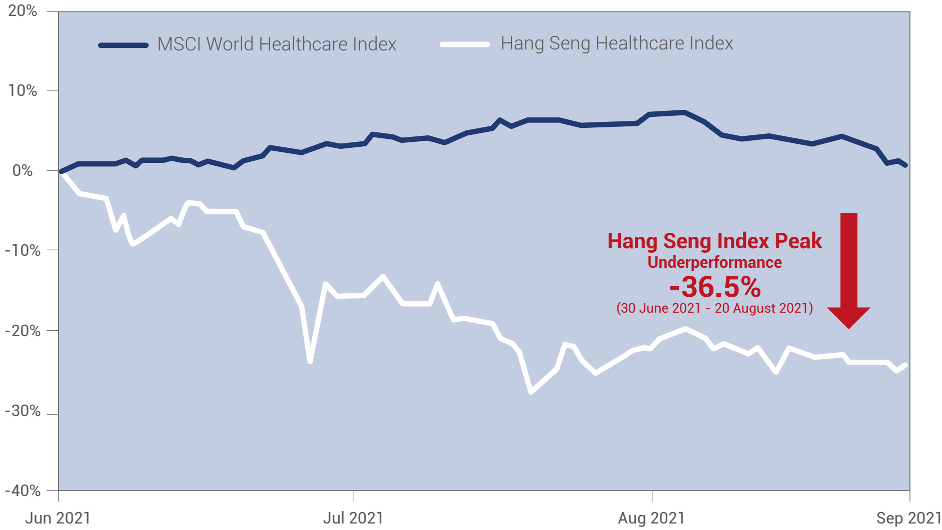
Another strategic overweight for the Company that experienced volatility was emerging market stocks, specifically in China, in the latter part of the reported six-month period. Like biotechnology stocks described above, emerging market healthcare names experienced robust returns in 2020, in part due to COVID-19 related tailwinds. Many Chinese healthcare stocks, especially vaccine players, digital healthcare and hospital operators were favoured by investors during the pandemic and valuations rose accordingly.

However, with richer valuations, we witnessed some profit taking in 2021. This selling pressure was exacerbated by investor concerns over potential tightening of government regulations in the Chinese healthcare sector, which first occurred in other industries such as the internet and education. Harsher government intervention in these sectors caused investors to worry about additional regulations that may come in healthcare, creating a "wait and see" sentiment which allowed share prices to fall further still.

Despite the recent volatility, we believe the correction in valuations in China is largely done and investor sentiment may be swinging positive. Further, the China biopharmaceutical industry remains innovation-driven and there has been an increasing number of molecules being licensed to overseas players, a critical point of validation for the burgeoning research and development (R&D) activity coming out of China.

Of course, macro tailwinds remain strong. With a declining number of new-borns, an aging population remains one of the largest issues in China. As a result, government investment in the healthcare system, including private hospitals, internet/ digital healthcare and medical insurance remains the primary focus of government in the next five-year plan.

RELATIVE UNDERPEFORMANCE IN EMERGING MARKETS (Hang Seng Healthcare Index vs. MSCI World Healthcare Index)



HEALTHCARE

The current calendar year has been challenging for healthcare stocks. The outcome of the 2020 U.S. Presidential election created a "Blue Wave" with the Democrats in full control of the White House, the House of Representatives, and the Senate.

This final election outcome increased the possibility that the incoming administration would be both motivated and capable of passing industry-changing legislation – specifically on drug pricing – that would be harmful to healthcare stocks. Whilst this has yet to happen (and we believe that it will not), the compression in valuation compared to the broader market became evident as many generalist investors chose to avoid what is seen as a complex area of the market.

This is not without precedent. Previously healthcare stocks have traded at a steep relative discount due to generalist investor fears over federal legislative changes related to prescription drug pricing, notably the Democratic controlled Presidencies of Bill Clinton in 1993 ("Hillarycare") and Barack Obama in 2009 ("Obamacare"). In both cases, the discount eventually reversed after legislation went nowhere or proved benign or even positive for the healthcare industry. Ultimately, we expect a similar reversal in valuations under Joe Biden.

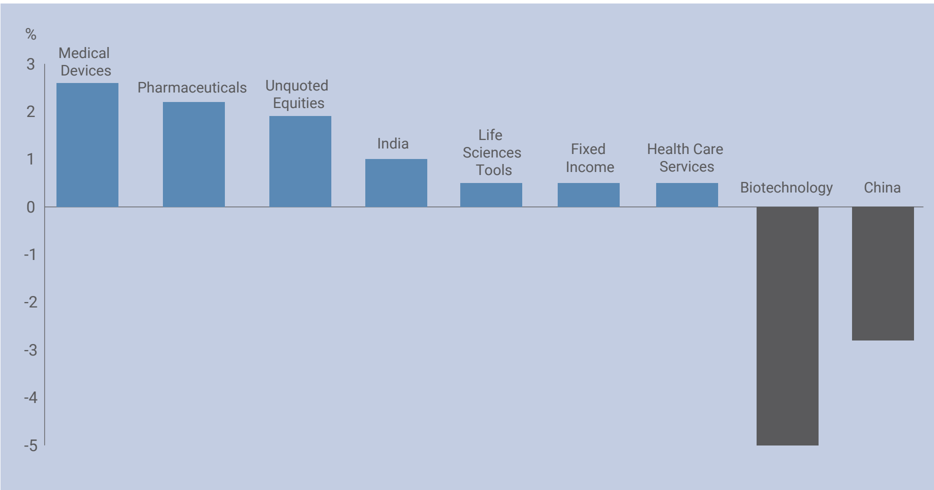
LIFE SCIENCES

The Life Science Tools and Services sector is another which benefited significantly from COVID-19 tailwinds in 2020 and this has continued into 2021. Whilst the Company did enjoy some modest positive contribution from the sector in the reporting period, it was below the Benchmark return. The underperformance was principally due to our positioning in the sector, where we favour companies we view as long-term secular winners based on novel and exciting new innovations, as opposed to the more mature large-capitalisation, diversified companies that make up much of this sector.

This reflects our longer-term thesis around compelling investment opportunities across key themes such as liquid biopsy and spatial genomics. However, in the period, there was significant volatility across the stocks tied to these newer trends, unlike the general strength in the larger, more diversified names which were able to weather COVID-19 related disruptions to their end markets.

Looking ahead, we continue to see the most attractive opportunity set in our preferred high growth areas of innovation, where relative valuations have been recently depressed and which investors may appreciate attractive upside moving into the end of the calendar year and into 2022.

SECTOR CONTRIBUTORS TO AND DETRACTORS FROM ABSOLUTE NET ASSET VALUE PERFORMANCE (six-month period ended 30 September 2021)



MAJOR CONTRIBUTORS TO ABSOLUTE NET ASSET VALUE PERFORMANCE

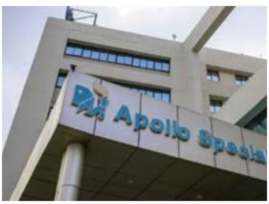
As has been an important hallmark of the Company's performance over the years, major contributors to performance are represented by a very diverse and distinct set of companies. Key contributors in the six-month period ended 30 September 2021 included a large capitalisation pharmaceutical company from the UK, a major hospital operator in India, and three U.S. based companies: a specialty drug developer, the maker of an artificial pancreas, and a cardiovascular medical device maker.

The COVID-19 pandemic brought industry, governments, and academia together in unison to attempt to thwart one of the most deadly pandemics in modern history. But it was not without controversy. One company that attempted to do the right thing, **AstraZeneca**, was perhaps the pre-eminent example. Imperfect execution across trial design, trial logistics, manufacturing, and communication led to over promising and under delivery of a vaccine and (so far) a therapeutic for COVID-19.

With it, came share price volatility that obfuscated the company's best-in-class growth profile generated by some of the best innovation and business development in the industry across a wide range of therapeutic categories, including oncology, diabetes, respiratory, and cardiometabolic medicine.

We invested in the company during the tumult and now that the pandemic related headlines have subsided, the company has maintained a top tier growth trajectory despite a difficult operating environment with the share price responding accordingly.

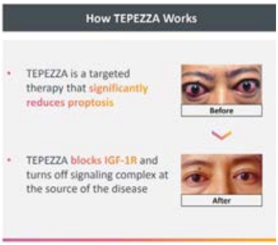
Apollo Hospitals Enterprise is the largest hospital chain in India with 71 hospitals and over 10,000 beds as of June 2021. Alongside this, Apollo has the largest retail pharmacy in India with over 4,000 pharmacies. The company has recently entered digital healthcare in a significant way under the umbrella brand, "Apollo 24*7". Impressive share price performance, including record highs, came from several factors. First, occupancy rates have shown a strong recovery through 2021, to near pre-pandemic highs, though it had COVID-19 related occupancy as well. The company's strong execution in terms of cost control and managing case-mix led to healthy average revenues per operating bed. Second, multiple new business initiatives have fuelled investor enthusiasm; another reason for the share price re-rating. These include "Apollo Healthco" (a recent carve out from the existing business), "PharmEasy" (a potential IPO with a prospective U.S.$9 billion valuation), and other new initiatives showing results and margin accretion such as proton therapy, clinics, and diagnostics.



Dexcom is a California-based medical device company that is the market leader in continuous glucose monitoring (CGM). The company is ushering in a new paradigm in diabetes care – an artificial pancreas. Historically, monitoring blood glucose was done via needle-based finger pricks and external devices which gave only individual data points that were of modest value. Today, using the company's innovative technology, patients can now receive real-time indications of their blood glucose on their mobile phone, which can detect whether the user's blood sugar is improving or worsening, and even communicate with an insulin pump to mimic a pancreas by automatically and algorithmically administering insulin.

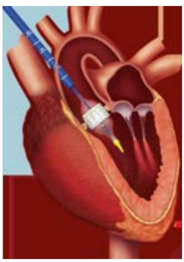
With up to eight million diabetics requiring daily insulin in their core markets and hundreds of millions of diabetics globally, Dexcom has been working tirelessly to drive adoption of this innovative technology. The past six months were strong operationally for the company, in particular it posted a very strong second quarter result, suggesting the current business is accelerating at the same time as the company moves closer to the expected launch of its next generation product; G7. As a result, the share price reached record highs in the period.

Horizon Pharmaceuticals is a US-based specialty pharmaceutical company that presided over one of the most successful drug launches ever in 2020, Tepezza (teprotumumab) which was developed by the company to treat "TED" or thyroid eye disease, a painful, disfiguring, and debilitating disorder of the musculature of the eye. Launched in January 2020, the drug was well on its way to blockbuster status despite the commercial headwinds of the COVID-19 pandemic.



Despite a temporary government-mandated shutdown in the manufacturing of Tepezza due to the prioritisation of COVID-19 vaccine production, the re-launch of the product in April 2021 exceeded expectations. Management has continued to raise near-term estimates for Tepezza sales, pushing the stock to all-time highs during the reported period.

Another distinct and unique example of innovation is **Edwards Lifesciences**, a developer of tissue replacement heart valves, and more specifically transcatheter heart valves (THV). The company's current valve portfolio is largely comprised of aortic heart valves, a market which continues to grow solidly in the double-digit range and has remained relatively well insulated from COVID-19 disruptions, given the severity of the disease that this technology is designed to treat: aortic stenosis.



A strong competitive position and growing demand have allowed the company to continue to outperform its peer group with respect to organic sales and earnings growth rates, resulting in solid share price performance during the six-month period. Importantly, there have been several positive updates on the company's product pipeline, specifically around mitral heart valve technologies, which has led to increased investor confidence in sustained high sales growth for the next several years.

MAJOR DETRACTORS FROM ABSOLUTE NET ASSET VALUE PERFORMANCE

Theravance Biopharma is a biopharmaceutical company specialising in the discovery and development of organ-selective medicines. The company offers the marketed drug, Yupelri (revefenacin), a once-daily, nebulised long-acting muscarinic antagonist for use in the treatment of chronic obstructive pulmonary disease (COPD). The company's pipeline is also innovative and includes a novel mechanism – pan-janus kinase (JAK) inhibition – for the treatment of both ulcerative colitis and asthma.

Unfortunately, the share price dropped in the reported period after two separate but high-profile pipeline failures: (1) TD-1473 – a gut-selective JAK inhibitor for the treatment of ulcerative colitis and (2) ampreloxetine – a norepinephrine reuptake inhibitor in neurogenic orthostatic hypotension. Both TD-1473 and ampreloxetine were discontinued due to a lack of efficacy shown in their respective clinical trials. The stock fell as a result, however, the company immediately implemented a significant cost reduction programme to focus on reaching profitability, which helped buoy the valuation after these disappointing catalysts.

REVIEW OF INVESTMENTS CONTINUED

Another notable detractor which fell victim to the broader biotechnology sell-off was Boston-based **Ikena Oncology**, which develops targeted cancer therapies and modulators of the tumour microenvironment. The company's lead programme, IK-930, targets solid tumours with defined genetic mutations. The company expects this asset to enter clinical development by the end of 2021 and has a promising pipeline of earlier stage programmes that should also generate company value. However, in the absence of clinical data, the shares have been weak following its March 2021 IPO amidst a broader sell off of early-stage biotechnology companies.

Haemonetics is the largest provider of equipment and consumables used for plasma collection in the world. The company has worked to provide value for its customers by pioneering an innovative new machine and collection process that can significantly enhance collection plasma yields per donor, at a time when collections have been significantly challenged due to the COVID-19 pandemic. Notable players, like Takeda, were readily adopting this new technology. Unfortunately, however, one of the company's largest customers, CSL of Australia, announced in April 2021 that they would not be renewing their contract with Haemonetics and would instead be moving to a new entrant into the market. The share price fell as a result, and on the basis of this new information we exited the stock.

Vor Biopharma is a Massachusetts-based biotechnology company developing cellular therapies for the treatment of acute myeloid leukemia. The company's lead programme utilises CRISPR/Cas9-based gene editing technology to disrupt the expression of a very specific protein coding gene (called CD33) in stem cells that produce blood cells in bone marrow. This is an effort to reduce the toxicity of CD33-targeted agents including Mylotarg, an antibody-drug conjugate, and of chimeric antigen receptor T cell therapy. The share price for the company has waned since its February 2021 IPO, again reflecting a lack of current investor interest in the small cap biotechnology space.

Jiangsu Hengrui Medicine is the largest pharmaceutical company listed in China and is an example of a "blue-chip" healthcare stock which we target as a strategic investment in emerging markets. Their innovative oncology franchise consists of many "hot targets" including novel therapies in immuno-oncology (PD-1 inhibitors) and targeted therapies (tyrosine kinase inhibitors and PARP inhibitors). The company's large and robust generic franchise spans many therapeutic categories including oncology, cardiovascular, pain, and antibiotics.

Declines in the share price in the reporting period reflected two factors. First, the company suffered some reimbursement and pricing setbacks in the Chinese Group Purchasing Organisation (GPO) programme that concluded during the period, adversely impacting the company's revenue in 2021. Second, changes to regulatory guidelines in China for new cancer drug approvals (i.e., the requirement of a comparator arm) was a negative development for the company's innovative oncology franchise. Intensified debate over pricing for new cancer drugs in China also hurt the share price after the company's PD-1 inhibitor, AiRuiKa (camrelizumab), faced a government mandated price revision of over 50%.

CONTRIBUTION FROM UNQUOTED HOLDINGS

During the six months ended 30 September 2021, the Company continued to take advantage of a favourable market in crossover investments (i.e. investment in the last financing round before a company goes public) and we continue to believe they offer an attractive combination of near-term liquidity and financial return.

As of 30 September 2021, investments in unquoted companies (excluding debt securities) accounted for 7.5% of the Company's net assets versus 5.3% as of 31 March 2021, and 1.0% as of 31 March 2020. The Company initiated positions in three China-based unquoted investments during the period; one investment, **Erasca**, completed its initial public offering in July 2021 despite a difficult market environment for biotechnology new issues in the United States. For the period under review, unquoted equities contributed 1.9% to the Company's performance.

LEVERAGE STRATEGY

Historically, the typical leverage level employed by the Company has been in the mid-to-high teens level. Considering the market volatility during the past financial year, we have, more recently, used leverage in a more tactical fashion. For example, after the dramatic "V"-shape market recovery of April 2020, leverage was significantly reduced by over 10% month-over-month, to 3% and ultimately to 1% in May 2020. This low level of leverage was maintained for a period of months but was increased ahead of and into the U.S. Presidential election in November 2020 and decreased in the post-election period heading into 2021.

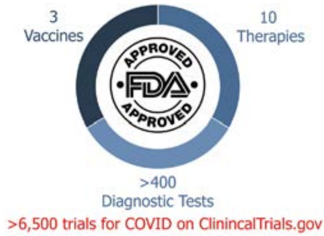
However, given the sell-offs in Emerging Biotechnology and China healthcare stocks during the six-month period under review, leverage was again increased, effectively increasing month-over-month thereafter in 2021. The significant potential for a positive resolution to the U.S. drug pricing reforms has also pushed gearing up as of the end of October 2021. We expect to continue with a tactical approach to leverage in 2022.

DERIVATIVE STRATEGY

The Company has the ability to use equity swaps and options. During the current review period the Company employed single stock equity swaps to gain exposure to emerging market Chinese and Indian stocks. The exposure via swaps averaged 6.7% on a gross basis during the period and detracted 0.6% from the Company's performance. Analysis of the Company's investments in emerging markets is set out earlier in this report. Further explanation regarding swaps can be found in the Glossary on pages 29 and 30.

LOOKING AHEAD

We have long espoused the "Golden Era" of innovation that has been the primary creator of



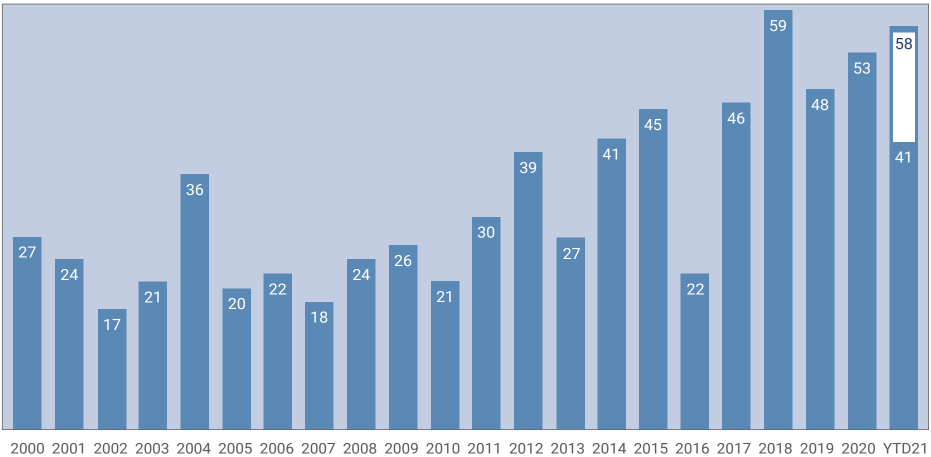
value for biopharmaceuticals for nearly ten years now. We have no reason to believe that this is going to change. In fact, the industry's response to the COVID-19 pandemic is just the latest example of the unprecedented innovation and societal benefit that the industry can offer.

Despite not attracting as much headline attention as vaccines, the novel therapeutics developed to treat and potentially prevent the COVID-19 illness are just as impressive as the vaccine initiatives. The development of multiple antibodies, antibody cocktails and anti-virals to reduce the severity of symptoms, prevent hospitalisations, and lower mortality have been critical in the public fight against COVID-19. The re-purposing of many already approved medicines to combat the disease burden has been under reported. Also, the development of oral therapies to reduce illness and prevent death will be another critical arrow in the quiver against the pandemic.

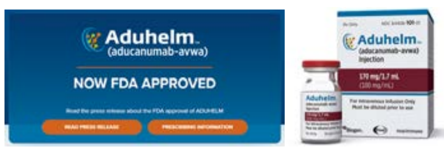
The FDA has certainly been in the spotlight in 2021. From its efforts to combat to COVID-19, to much scrutinised delays for some new drug approvals, to the controversial approval of new Alzheimer's drug, and the on-going lack of an appointed Commissioner; there has certainly been reason for investor concern. But what are the facts?

First and foremost, we expect another near record number of new drug approvals in 2021. With 41 novel approvals in the first three quarters of the calendar year, the Agency has approved one more drug compared to the same time period a year ago and has the potential for 58 approvals in 2021 (source: Washington Analysis). This would be the second highest level of annual approvals of all time and would represent the most productive five-year period in FDA history.

NOVEL DRUG APPROVALS
(since 2000 by U.S. Food & Drug Administration)



On 7 June 2021, the FDA approved Aduhelm (aducanumab) for the treatment of Alzheimer's disease. However, this unexpected approval set off a maelstrom of controversy given the debatable clinical efficacy of the drug and the fact that an external advisory committee voted against recommending approval of the drug. The ultimate approval debunks the myth that the FDA cannot operate properly or is too conservative in the absence of a full-time commissioner. We believe this view underappreciates the importance of the permanent staff and career employees who do almost all of the primary due diligence on behalf of the FDA.



What else can we expect from the Biden Administration in Washington? Both Medicare expansion and drug pricing reform have featured prominently in debates regarding the social spending bill. The most realistic Medicare proposals being discussed are incremental; including the expansion of benefits and lowering the cost of premiums. In the effort to lower the cost of prescription drugs to patients, there is a notable lack of consensus regarding the preferred size and scope of such reforms. We feel that these disagreements may derail drug pricing legislative efforts completely or produce a significantly watered-down update, either of which would be welcomed by investors.

M&A has been a common industry staple in healthcare for decades, especially in the therapeutics space, and a core part of the Company's investment strategy. The fragmented and heterogeneous nature of the industry, coupled with clinical and technological complexity, will continue to generate many business-development deals. That said, there is an ebb and flow to M&A, a variable cyclicality driven by influences from capital markets, IPOs, and crossovers, plus considerations like valuation, large capitalisation company appetites, and of course, the impact of the pandemic.

The summer of 2021 certainly saw an "ebb" in M&A activity with a total transaction value of only U.S.$6 billion across eight deals. This inflected in earnest in October when Merck announced its intention to acquire Acceleron Pharma for U.S.$11.5 billion. We do expect an uptick in M&A given the limited cash flow disruption for likely acquirors arising from the pandemic, continued solid balance sheets and the positive tone from large capitalisation companies about potential M&A.

In our current and fast-changing society, new and novel technologies abound and have impacted many industries. Healthcare is no exception and technological advances are the primary pillar for our positive outlook on the industry. We see an unprecedented level of innovation across the spectrum, from therapeutics to services, from devices to diagnostics. Moreover, advances in genomics and biotechnology have pushed the therapeutics space to such frontiers that the number of known disease states and druggable targets are at an all-time high. Novel platform technologies have enabled more therapies to target diseases that were previously thought to be untreatable.

Sven H. Borho and Trevor M. Polischuk

OrbiMed Capital LLC

Portfolio Manager

17 November 2021

PRINCIPAL STOCK CONTRIBUTORS TO AND DETRACTORS FROM ABSOLUTE NET ASSET VALUE PERFORMANCE

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

Top Five Contributors	Contribution £'000	Contribution per share £
AstraZeneca	25,830	0.4
Apollo Hospitals Enterprise	24,314	0.4
Dexcom	24,034	0.4
Horizon Therapeutics	20,342	0.3
Edwards Lifesciences	18,870	0.3

Top Five Detractors		
Jiangsu Hengrui Medicine	(15,075)	(0.2)
Vor Biopharma	(16,320)	(0.2)
Haemonetics*	(17,511)	(0.3)
Ikena Oncology	(18,044)	(0.3)
Theravance Biopharma	(23,738)	(0.4)

Based on 65,108,269 shares being the weighted average number in issue during the period.
* Not held at 30 September 2021
Source: Frostrow Capital LLP

PORTFOLIO

AT 30 SEPTEMBER 2021

Investments	Country/ Region	Market value £'000	% of investments
Merck	USA	142,736	5.5
Bristol-Myers Squibb	USA	137,650	5.3
AstraZeneca	United Kingdom	130,247	5.1
Boston Scientific	USA	116,803	4.5
Horizon Therapeutics	USA	107,162	4.1
Mirati Therapeutics	USA	97,106	3.8
AbbVie	USA	87,273	3.4
SPDR S&P Biotech Fund	USA	83,707	3.3
UnitedHealth Group	USA	77,142	3.0
Natera	USA	73,070	2.8
Top 10 investments		**1,052,896**	**40.8**
Vertex Pharmaceuticals	USA	70,291	2.7
Edwards Lifesciences	USA	67,420	2.6
Intuitive Surgical	USA	65,578	2.5
DexCom	USA	61,592	2.4
Guardant Health	USA	60,004	2.3
Humana	USA	56,437	2.2
Stryker	USA	55,561	2.2
Zimmer Biomet Holdings	USA	48,380	1.9
Novartis	Switzerland	46,563	1.8
Caris Science (unquoted)	USA	42,556	1.7
Top 20 investments		**1,627,278**	**62.9**
Neurocrine Biosciences	USA	38,982	1.5
Anthem	USA	38,724	1.5
Erasca	USA	34,077	1.3
Progyny	USA	33,060	1.3
Deciphera Pharmaceuticals	USA	32,336	1.2
ImmunoGen	USA	28,454	1.1
CRISPR Therapeutics	Switzerland	27,417	1.1
Thermo Fisher Scientific	USA	25,705	1.0
Oak Street Health	USA	25,231	1.0
Biogen	USA	23,556	0.9
Top 30 investments		**1,934,820**	**75.0**
Alphamab Oncology	China	23,475	0.9
HCA Healthcare	USA	23,405	0.9
Joinn Laboratories China	China	22,332	0.9
Select Medical Holdings	USA	22,154	0.8
Arrail (unquoted)	USA	19,772	0.8
Turning Point Therapeutics	USA	17,859	0.7
Jinxin Fertility Group	China	17,721	0.7
Shanghai Bioheart Pharmaceutical (unquoted)	China	17,660	0.7
Crossover Health (unquoted)	USA	17,358	0.7
Galapagos	Belgium	16,759	0.6
Top 40 investments		**2,133,315**	**82.7**

PORTFOLIO CONTINUED

Investments	Country/ Region	Market value £'000	% of investments
EDDA (unquoted)	China	16,759	0.6
Yidu Tech	China	16,298	0.6
Iovance Biotherapeutics	USA	16,136	0.6
Arcutis Biotherapeutics	USA	16,017	0.6
Ikena Oncology	USA	15,088	0.6
SI-BONE	USA	14,941	0.6
Beijing Yuanxin Technology (unquoted)	China	14,870	0.6
Shanghai Kindly Medical Instruments	China	14,831	0.6
MeiraGTx	USA	14,531	0.6
Theravance Biopharma	USA	14,298	0.6
Top 50 investments		**2,287,084**	**88.4**
Celldex Therapeutics	USA	14,275	0.5
Visen (unquoted)	China	14,164	0.5
Ruipeng Pet Group (unquoted)	China	13,922	0.5
Tenet Healthcare	USA	13,173	0.5
Dingdang Health Technology Group (unquoted)	China	13,083	0.5
New Horizon Health	China	13,038	0.5
Seagen	USA	12,461	0.5
Burning Rock Biotech	China	12,385	0.5
Rimag (unquoted)	China	11,704	0.5
uniQure	Netherlands	11,664	0.5
Top 60 investments		**2,416,953**	**93.3**
CSPC Pharmaceutical Group	China	11,142	0.4
NanoString Technologies	USA	11,106	0.4
Hangzhou Tigermed Consulting	China	11,079	0.4
RxSight	USA	9,889	0.4
Vor BioPharma	USA	9,654	0.4
Danaher	USA	9,652	0.4
Daiichi Sankyo	Japan	9,564	0.4
Shenzhen Hepalink Pharmaceutical Group	China	9,299	0.4
Medlive Technology	China	9,278	0.3
Harpoon Therapeutics	USA	8,580	0.3
Top 70 investments		**2,516,196**	**97.0**
Apollo Hospitals Enterprise	India	8,447	0.3
Achilles Therapeutics	USA	7,988	0.3
CVRx	USA	7,949	0.3
Shandong Weigao Group Medical Polymer	China	7,809	0.3
Passage	USA	7,502	0.3
United Laboratories International Holdings	China (HK)	6,528	0.3
China Medical System	China	6,391	0.3
MabPlex International (unquoted)	China	5,736	0.2
Abbisko (unquoted)	China	5,714	0.2
NanoString Technologies 2.63% 01/03/2025 (unquoted)	USA	5,681	0.2
Top 80 investments		**2,585,941**	**99.8**

Investments	Country/ Region	Market value £'000	% of investments
Shanghai Junshi Biosciences	China (HK)	5,623	0.2
Simcere Pharmaceutical Group	China	4,778	0.2
Convey Holding Parent	USA	4,050	0.2
Hansoh Pharmaceutical	China (HK)	1,196	0.0
AiQ Warrant 13/10/2027 (unquoted)	USA	1,187	0.0
Peloton (DCC**- unquoted)	USA	501	0.0
Total equities and fixed interest investments		**2,603,276**	**100.8**
OTC Equity Swaps – Financed			
JPMorgan iDex US SMID Biotech Index*	United States	47,284	1.8
Apollo Hospitals Enterprise	India	36,693	1.4
Jiangsu Hengrui Medicine	China	32,354	1.3
Shandong Pharmaceutical	China	23,138	0.9
BGI Genomics	China	21,304	0.8
Takeout*	China	12,984	0.5
Less: Gross exposure added through financed swaps		(195,211)	(7.5)
Total OTC Swaps		**(21,454)**	**(0.8)**
Total investments including OTC Swaps		**2,581,822**	**100.0**

* Basket Swap. See Glossary on pages 29 and 30.

SUMMARY

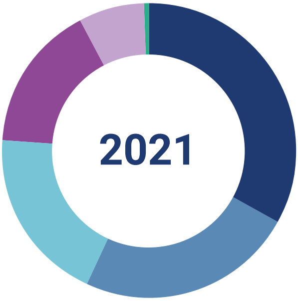
Investments	Market value £'000	% of investments
Quoted equities	2,402,609	93.1
Unquoted equities	194,986	7.5
Unquoted debt securities	5,681	0.2
Equity swaps	(21,454)	(0.8)
Total of all investments	**2,581,822**	**100.0**

** DCC = deferred contingent consideration.
See note 1 on page 25 for further details in relation to the OTC Swaps.

PORTFOLIO ANALYSIS

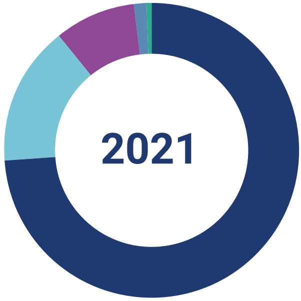
AS AT 30 SEPTEMBER

BY SECTOR*



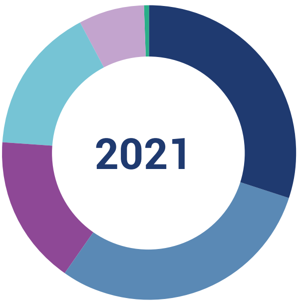
Biotechnology	33.1
Pharmaceutical	23.9
Health Care Equipment/Supplies/Technology	19.3
Healthcare Providers & Services	16.1
Life Sciences Tools & Services	7.3
Debt Instruments	0.3

BY GEOGRAPHY*

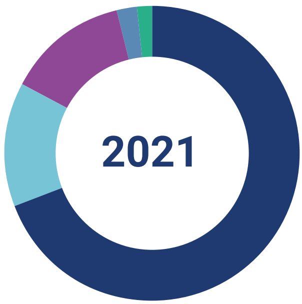


North America	73.9
China	15.5
Europe	8.7
India	1.6
Japan	0.3

AS AT 31 MARCH



Biotechnology	30.1
Pharmaceutical	29.9
Healthcare Providers & Services	16.2
Healthcare Equipment/Supplies/Technology	16.1
Life Sciences Tools & Services	7.3
Debt Instruments	0.4



North America	69.2
China	13.6
Europe	13.5
India	2.1
Japan	1.6

* Expressed as a % of the total economic exposure.

INTERIM MANAGEMENT REPORT

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors continue to review the Company's key risk register which identifies the risks and uncertainties that the Company is exposed to and the controls in place and the actions being taken to mitigate them. This is set against the backdrop of increased levels of risk and uncertainty in evidence since early 2020, as a result of the impact of the COVID-19 pandemic. The Directors have considered the impact of this continued uncertainty on the Company's financial position and, based on the information available to them at the date of this report, have concluded that no adjustments are required to the accounts as at 30 September 2021.

A review of the half-year and the outlook for the Company can be found in the Chairman's Statement and the Review of Investments. The principal risks and uncertainties faced by the Company include the following:

- Exposure to market risks and those additional risks specific to the sectors in which the Company invests, such as political interference in drug pricing.
- Macro events may have an adverse impact on the Company's performance by causing exchange rate volatility, changes in tax or regulatory environments, and/or a fall in market prices. Emerging markets, which a portion of the portfolio is exposed to, can be subject to greater political uncertainty and price volatility than developed markets.
- Unquoted investments are more difficult to buy, sell or value and so changes in their valuations may be greater than for listed assets.
- The risk that the individuals responsible for managing the Company's portfolio may leave their employment or may be prevented from undertaking their duties.
- The risk that following the failure of a counterparty, the Company could be adversely affected through either delay in settlement or loss of assets.
- The Board is reliant on the systems of the Company's service providers and as such disruption to, or a failure of, those systems could lead to a failure to comply with law and regulations leading to reputational damage and/or financial loss to the Company.
- The risk that investing in companies that disregard Environmental, Social and Governance (ESG) factors will have a negative impact on investment returns and also that the Company itself may become unattractive to investors if ESG is not appropriately considered in the Portfolio Manager's decision making process.
- The risk, particularly if the investment strategy and approach are unsuccessful, that the Company may underperform resulting in the Company becoming unattractive to investors and a widening of the share price discount to NAV per share. Also, falls in stock markets, such as those experienced as a consequence of the COVID-19 pandemic, and the risk of a global recession, are likely to adversely affect the performance of the Company's investments.

Information on these risks is given in the Annual Report for the year ended 31 March 2021.The Board believes that the Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remaining six months of the Company's financial year.

RELATED PARTY TRANSACTIONS

During the first six months of the current financial year no material transactions with related parties have taken place which have affected the financial position or the performance of the Company during the period.

GOING CONCERN

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio and expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future and, more specifically, that there are no material uncertainties relating to the Company that would prevent its ability to continue in such operational existence for at least twelve months from the date of the approval of this half yearly financial report. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the accounts. In reviewing the position as at the date of this report, the Board has considered the guidance issued by the Financial Reporting Council.

As part of their assessment, the Directors have given careful consideration to the next continuation vote to be held in 2024 and also consequences for the Company resulting from the continuing uncertainty arising from the COVID-19 pandemic. As previously reported, stress testing was also carried out in May 2021, which modelled the effects of substantial falls in markets and significant reductions in market liquidity, on the Company's net asset value, its cash flows and its expenses.

DIRECTORS' RESPONSIBILITIES

The Board of Directors confirms that, to the best of its knowledge:

(i) the condensed set of financial statements contained within the Half Year Report have been prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting); and

(ii) the interim management report includes a true and 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 condensed 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 entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Half Year Report has not been reviewed or audited by the Company's auditors.

This Half Year Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the date of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

For and on behalf of the Board

Sir Martin Smith
Chairman

17 November 2021

INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

	(Unaudited) Six months ended 30 September 2021			(Unaudited) Six months ended 30 September 2020		
	Revenue Return £'000	Capital Return £'000	Total £'000	Revenue Return £'000	Capital Return £'000	Total £'000
(Losses)/gains on investments	–	(5,449)	(5,449)	–	382,487	382,487
Foreign exchange losses	–	(4,482)	(4,482)	–	(5,501)	(5,501)
Income from investments (note 2)	11,246	–	11,246	7,785	–	7,785
AIFM, portfolio management, and performance fees (note 3)	(483)	9,706	9,223	(403)	(22,106)	(22,509)
Other expenses	(467)	–	(467)	(750)	–	(750)
Net return/(loss) before finance charges and taxation	**10,296**	**(225)**	**10,071**	**6,632**	**354,880**	**361,512**
Finance charges	(16)	(308)	(324)	(14)	(259)	(273)
Net return/(loss) before finance	**10,280**	**(533)**	**9,747**	**6,618**	**354,621**	**361,239**
Taxation	(1,287)	–	(1,287)	(992)	–	(992)
Net return/(loss) after taxation	**8,993**	**(533)**	**8,460**	**5,626**	**354,621**	**360,247**
Return/(loss) per share (note 4)	**13.8p**	**(0.8)p**	**13.0p**	**9.9p**	**623.0p**	**632.9p**

The "Total" column of this statement is the Income Statement of the Company. The "Revenue" and "Capital" columns are supplementary to this and are prepared under guidance published by The Association of Investment Companies.

All revenue and capital items in the above statement derive from continuing operations.

The Company has no recognised gains and losses other than those shown above and therefore no separate Statement of Total Comprehensive Income has been presented.

The accompanying notes are an integral part of these statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

	(Unaudited) Six months ended 30 September 2021 £'000	(Unaudited) Six months ended 30 September 2020 £'000
Opening shareholders' funds	2,381,425	1,538,298
Issue of new shares	41,676	192,754
Return for the period	8,460	360,247
Dividends paid – revenue	(10,085)	(10,512)
Closing shareholders' funds	**2,421,476**	**2,080,787**

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2021

	(Unaudited) 30 September 2021 £'000	(Audited) 31 March 2021 £'000
Fixed assets		
Investments	2,603,276	2,416,038
Derivatives – OTC swaps	21,226	18,864
	2,624,502	**2,434,902**
Current assets		
Debtors	19,486	18,172
Cash and cash equivalents	60,277	29,595
	79,763	**47,767**
Current liabilities		
Creditors: amounts falling due within one year	(240,109)	(92,932)
Derivative – OTC Swaps	(42,680)	(8,312)
	(282,789)	**(101,244)**
Net current liabilities	**(203,026)**	**(53,477)**
Total net assets	**2,421,476**	**2,381,425**
Capital and reserves		
Ordinary share capital	16,359	16,078
Share premium account	837,752	796,357
Capital reserve	1,542,095	1,542,628
Capital redemption reserve	8,221	8,221
Revenue reserve	17,049	18,141
Total shareholders' funds	**2,421,476**	**2,381,425**
Net asset value per share – (note 5)	**3,700.7p**	**3,703.0p**

CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2021

	Note	(Unaudited) Six months ended 30 September 2021 £'000	(Unaudited) Six months ended 30 September 2020 £'000
Net cash (outflow)/inflow from operating activities	7	**(13,453)**	**485**
Purchases of investments and derivatives		(540,411)	(505,070)
Sales of investments and derivatives		384,014	546,830
Realised losses on foreign exchange		(1,770)	(5,282)
Net cash (outflow)/inflow from investing activities		**(158,167)**	**36,478**
Issue of shares		44,253	191,353
Equity dividends paid		(10,085)	(10,512)
Interest paid		(324)	(273)
Net cash inflow from financing activities		**33,844**	**180,568**
(Increase)/decrease in net debt		**(137,776)**	**217,531**

Cash flows from operating activities includes interest received of £780,000 (2020: £1,290,000) and dividends received of £10,650,000 (2020: £7,629,000).

RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN NET DEBT

	(Unaudited) Six months ended 30 September 2021 £'000	(Unaudited) Six months ended 30 September 2020 £'000
(Increase)/decrease in net debt resulting from cashflows	(137,776)	217,531
Losses on foreign currency cash and cash equivalents	(2,712)	(219)
Movement in net debt in the period	**(140,488)**	**217,312**
Net debt at 1 April	(20,301)	(150,516)
Net debt at period end	**(160,789)**	**66,796**

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The condensed Financial Statements for the six months to 30 September 2021 comprise the statements set out on pages 22 to 24 together with the related notes below. They have been prepared in accordance with FRS 104 'Interim Financial Reporting', the AIC's Statement of Recommended Practice issued in October 2019 ('SORP') and using the same accounting policies as set out in the Company's Annual Report and Financial Statements at 31 March 2021.

GOING CONCERN

After making enquiries, and having reviewed the Investments, Statement of Financial Position and projected income and expenditure for the next 12 months, the Directors have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. The Directors have therefore adopted the going concern basis in preparing these condensed financial statements.

FAIR VALUE

Under FRS 102 and FRS 104 investments have been classified using the following fair value hierarchy:

Level 1 – Quoted market prices in active markets

Level 2 – Prices of a recent transaction for identical instruments

Level 3 – Valuation techniques that use:

(i) observable market data; or

(ii) non-observable data

AS OF 30 SEPTEMBER 2021	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments held at fair value through profit or loss	2,402,609	–	200,667	2,603,276
Derivatives: OTC swaps (assets)	–	21,226	–	21,226
Derivatives: OTC swaps (liabilities)	–	(42,680)	–	(42,680)
Financial instruments measured at fair value	2,402,609	(21,454)	200,667	2,581,822

AS OF 31 MARCH 2021	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments held at fair value through profit or loss	2,275,409	–	140,629	2,416,038
Derivatives: OTC swaps (assets)	–	18,864	–	18,864
Derivatives: OTC swaps (liabilities)	–	(8,312)	–	(8,312)
Financial instruments measured at fair value	2,275,409	10,552	140,629	2,426,590

2. INCOME

	(Unaudited) Six months ended 30 September 2021 £'000	(Unaudited) Six months ended 30 September 2020 £'000
Investment income	11,246	7,785
Total	**11,246**	**7,785**

3. AIFM, PORTFOLIO MANAGEMENT AND PERFORMANCE FEES

	(Unaudited) Six months ended 30 September 2021			(Unaudited) Six months ended 30 September 2020		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
AIFM fee	82	1,565	1,647	74	1,398	1,472
Portfolio management fee	401	7,617	8,018	329	6,261	6,590
Performance fee charge for the period*	–	(18,888)	(18,888)	–	14,447	14,447
	483	**(9,706)**	**(9,223)**	**403**	**22,106**	**22,509**

* During the six months ended 30 September 2021, due to underperformance against the Benchmark in the period, a reversal of prior period provisions totalling £18,888,000 occurred (six months ended 30 September 2020: charge of £14,447,000).

As at 30 September 2021 no performance fees were accrued or payable (31 March 2021: £31,748,000 accrued). Of the 31 March 2021 accrual £12,860,000 crystallised and became payable as at 30 June 2021 and £18,888,000 reversed due to underperformance, as noted above. The performance fee paid related to outperformance generated as at 30 June 2020 that was maintained to 30 June 2021.

The maximum amount that could become payable by 30 September 2022 is £18,888,000. This would only be payable in full if the current period's underperformance is reversed and the outperformance achieved as at 31 March 2021 is re-attained.

See glossary on page 32 for further information on the performance fee.

4. RETURN/(LOSS) PER SHARE

	(Unaudited) Six months ended 30 September 2021 £'000	(Unaudited) Six months ended 30 September 2020 £'000
The return per share is based on the following figures:		
Revenue return	8,993	5,626
Capital (loss)/return	(533)	354,621
Total return	**8,460**	**360,247**
Weighted average number of shares in issue for the period	65,108,269	56,922,562
Revenue return per share	13.8p	9.9p
Capital (loss)/return per share	(0.8)p	623.0p
Total return per share	**13.0p**	**632.9p**

The calculation of the total, revenue and capital returns per ordinary share is carried out in accordance with IAS 33, "Earnings per Share (as adopted in the EU)".

5. NET ASSET VALUE PER SHARE

The net asset value per share is based on the assets attributable to equity shareholders of £2,421,476,000 (31 March 2021: £2,381,425,000) and on the number of shares in issue at the period end of 65,432,755 (31 March 2021: 64,310,255).

6. TRANSACTION COSTS

Purchase transaction costs for the six months ended 30 September 2021 were £461,000 (six months ended 30 September 2020: £831,000).

Sales transaction costs for the six months ended 30 September 2021 were £403,000 (six months ended 30 September 2020: £473,000).

These costs comprise mainly commission.

7. RECONCILIATION OF OPERATING RETURN TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	(Unaudited) Six months ended 30 September 2021 £'000	(Unaudited) Six months ended 30 September 2020 £'000
Gains before finance costs and taxation	10,071	361,512
Add: capital loss/(less: capital gain) before finance charges and taxation	225	(354,880)
Revenue return before finance charges and taxation	**10,296**	**6,632**
Expenses charged to capital	9,706	(22,106)
(Increase)/decrease in other debtors	(133)	1,198
(Decrease)/increase in provisions, and other creditors and accruals	(31,781)	15,294
Net taxation suffered on investment income	(1,293)	(428)
Amortisation	(248)	(105)
Net cash (outflow)/inflow from operating activities	**(13,453)**	**474**

8. PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the Company are listed in the Interim Management Report on page 20. An explanation of these risks and how they are managed is contained in the Strategic Report and note 16 of the Company's Annual Report & Accounts for the year ended 31 March 2021.

9. COMPARATIVE INFORMATION

The condensed financial statements contained in this half year report do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the half years ended 30 September 2021 and 30 September 2020 has not been audited or reviewed by the Company's auditor.

The information for the year ended 31 March 2021 has been extracted from the latest published audited financial statements of the Company. Those financial statements have been filed with the Registrar of Companies. The report of the auditor on those financial statements was unqualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report, and did not contain statements under either section 498 (2) or 498 (3) of the Companies Act 2006.

Earnings for the first six months should not be taken as a guide to the results for the full year.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES (APMs)

ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE (AIFMD)

Agreed by the European Parliament and the Council of the European Union and transported into UK legislation, the AIFMD classifies certain investment vehicles, including investment companies, as Alternative Investment Funds ('AIFs') and requires them to appoint an Alternative Investment Fund Manager ('AIFM') and depositary to manage and oversee the operations of the investment vehicle. The Board of the Company retains responsibility for strategy, operations and compliance and the Directors retain a fiduciary duty to shareholders.

BENCHMARK

The performance of the Company is measured against the MSCI World Health Care Index on a net total return, sterling adjusted basis. (Please also see page 31).

The net total return is calculated by reinvesting dividends after the deduction of withholding taxes.

DISCOUNT OR PREMIUM (APM)

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

EMERGING BIOTECHNOLOGY

Biotechnology companies with a market capitalisation less than $10bn.

EQUITY SWAPS

An equity swap is an agreement in which one party (counterparty) transfers the total return of an underlying equity position to the other party (swap holder) in exchange for a one-off payment at a set date. Total return includes dividend income and gains or losses from market movements. The exposure of the holder is the market value of the underlying equity position.

Your Company uses two types of equity swap:

- funded, where payment is made on acquisition. They are equivalent to holding the underlying equity position with the exception of additional counterparty risk and not possessing voting rights in the underlying; and,
- financed, where payment is made on maturity. As there is no initial outlay, financed swaps increase economic exposure by the value of the underlying equity position with no initial increase in the investments value – there is therefore embedded leverage within a financed swap due to the deferral of payment to maturity.

The Company employs swaps for two purposes:

- To gain access to individual stocks in the Indian, Chinese and other emerging markets, where the Company is not locally registered to trade or is able to gain in a more cost efficient manner than holding the stocks directly; and,
- To gain exposure to thematic baskets of stocks (a Basket Swap). Basket Swaps are used to build exposure to themes, or ideas, that the Portfolio Manager believes the Company will benefit from and where holding a Basket Swap is more cost effective and operationally efficient than holding the underlying stocks or individual swaps.

LEVERAGE (APM)

Leverage is defined in the AIFMD as any method by which the AIFM increases the exposure of an AIF. In addition to the gearing limit the Company also has to comply with the AIFMD leverage requirements. For these purposes the Board has set a maximum leverage limit of 140% for both methods. This limit is expressed as a % with 100% representing no leverage or gearing in the Company. There are two methods of calculating leverage as follows:

The Gross Method is calculated as total exposure divided by Shareholders' Funds. Total exposure is calculated as net assets, less cash and cash equivalents, adding back cash borrowing plus derivatives converted into the equivalent position in their underlying assets.

The Commitment Method is calculated as total exposure divided by Shareholders Funds. In this instance total exposure is calculated as net assets, less cash and cash equivalents, adding back cash borrowing plus derivatives converted into the equivalent position in their underlying assets, adjusted for netting and hedging arrangements.

See the definition of Options and Equity Swaps for more details on how exposure through derivatives is calculated.

	As at 30 September 2021		As at 31 March 2021	
	Fair Value £'000	Exposure* £'000	Fair Value £'000	Exposure* £'000
Investments	2,603,276	2,603,276	2,416,038	2,416,038
OTC equity swaps	(21,454)	173,757	10,552	145,636
	2,581,822	**2,777,033**	**2,426,590**	**2,561,674**
Shareholders' funds		2,421,476		2,381,425
Leverage %		14.7%		7.6%

*Calculated in accordance with AIFMD requirements using the Commitment Method

MSCI WORLD HEALTH CARE INDEX (THE COMPANY'S BENCHMARK)

The MSCI information (relating to the Benchmark) may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation lost profits) or any other damages. (www.msci.com)

NAV TOTAL RETURN (‘APM’)

The theoretical total return on shareholders' funds per share, reflecting the change in NAV assuming that dividends paid to shareholders were reinvested at NAV at the time the shares were quoted ex-dividend. A way of measuring investment management performance of investment trusts which is not affected by movements in discounts/premiums.

	Six months to 30 September 2021 (p)	One year to 31 March 2021 (p)
Opening NAV per share	3,703.0	2,868.9
(Decrease)/increase in NAV per share	(2.3)	834.1
Closing NAV per share	**3,700.7**	**3,703.0**
% Change in NAV per share	(0.1)%	29.1%
Impact of reinvested dividends	0.5%	0.9%
NAV per share Total Return	**0.4%**	**30.0%**

ONGOING CHARGES ('APM')

Ongoing charges are calculated by taking the Company's annualised ongoing charges, excluding finance costs, taxation, performance fees and exceptional items, and expressing them as a percentage of the average daily net asset value of the Company over the year.

	Six months to 30 September 2021 £'000	One year to 31 March 2021 £'000
AIFM & Portfolio Management fees	9,665	17,068
Other Expenses	467	1,338
Total Ongoing Charges	**10,132**	**18,406**
Performance fees paid/crystallised	12,860	–
Total	**22,992**	**18,406**
Average net assets	2,384,758	2,112,164
Ongoing Charges (annualised)	**0.8%**	**0.9%**
Ongoing Charges (annualised, including performance fees paid or crystallised during the period)	**1.3%**	**0.9%**

PERFORMANCE FEE

Dependent on the level of long-term outperformance of the Company, a performance fee can be become payable. The performance fee is calculated by reference to the amount by which the Company's net asset value ('NAV') performance has outperformed the Benchmark.

The fee is calculated quarterly by comparing the cumulative performance of the Company's NAV with the cumulative performance of the Benchmark since the launch of the Company in 1995. Provision is also made within the daily NAV per share calculation as required and in accordance with generally accepted accounting standards. The performance fee amounts to 15.0% of any outperformance over the Benchmark (see page 44 of the Company's Annual Report & Accounts for the year ended 31 March 2021 for further information).

In order to ensure that only sustained outperformance is rewarded, at each quarterly calculation date any performance fee payable is based on the lower of:

i) The cumulative outperformance of the investment portfolio over the Benchmark as at the quarter end date; and

ii) The cumulative outperformance of the investment portfolio over the Benchmark as at the corresponding quarter end date in the previous year.

The effect of this is that outperformance has to be maintained for a twelve-month period before the related fee is paid.

In addition, a performance fee only becomes payable to the extent that the cumulative outperformance gives rise to a total fee greater than the total of all performance fees paid to date.

SHARE PRICE TOTAL RETURN (APM)

Return to the investor on mid-market prices assuming that all dividends paid were reinvested.

	Six months to 30 September 2021	One year to 31 March 2021
Opening share price	3,695.0	2,920.0
Increase in share price	(70.0)	775.0
Closing share price	**3,625.0**	**3,695.0**
% Change in share price	(1.9)%	26.5%
Impact of reinvested dividends	0.4%	0.9%
Share price Total Return	**(1.5)%**	**27.4%**

HOW TO INVEST

RETAIL INVESTORS ADVISED BY FINANCIAL ADVISERS

The Company currently conducts its affairs so that its shares can be recommended by financial advisers in the UK to ordinary retail investors in accordance with the Financial Conduct Authority (FCA) rules in relationship to non-mainstream investment products and intends to continue to do so. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

INVESTMENT PLATFORMS

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including Investment Dealing Accounts, ISAs, Junior ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. A list of some of them, that is not comprehensive nor constitutes any form of recommendation, can be found below:

AJ Bell Youinvest	http://www.youinvest.co.uk/
Barclays Smart Investor	https://www.smartinvestor.barclays.co.uk/
Bestinvest	http://www.bestinvest.co.uk/
Charles Stanley Direct	https://www.charles-stanley-direct.co.uk/
Halifax Share Dealing	https://www.halifaxsharedealing-online.co.uk/
Hargreaves Lansdown	http://www.hl.co.uk/
HSBC	https://www.hsbc.co.uk/investments/
iDealing	http://www.idealing.com/
Interactive Investor	http://www.iii.co.uk/
IWEB	http://www.iweb-sharedealing.co.uk/share-dealing-home.asp
The Share Centre	https://www.share.com/

HOW TO INVEST CONTINUED

RISK WARNINGS

- Past performance is no guarantee of future performance.
- The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined by the changing conditions in the relevant stockmarkets in which the Company invests and by the supply and demand for the Company's shares.
- As the shares in an investment trust are traded on a stockmarket, the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares; where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons, investors may not get back the original amount invested.
- Although the Company's financial statements are denominated in sterling, it may invest in stocks and shares that are denominated in currencies other than sterling and to the extent they do so, they may be affected by movements in exchange rates. As a result, the value of your investment may rise or fall with movements in exchange rates.
- Investors should note that tax rates and reliefs may change at any time in the future.
- The value of ISA and Junior ISA tax advantages will depend on personal circumstances. The favourable tax treatment of ISAs and Junior ISAs may not be maintained.

COMPANY INFORMATION

DIRECTORS
Sir Martin Smith, (Chairman)

Sarah Bates

Sven Borho

Humphrey van der Klugt, FCA

Doug McCutcheon

Dr Bandhana (Bina) Rawal

REGISTERED OFFICE
One Wood Street
London EC2V 7WS

WEBSITE
www.worldwidewh.com

COMPANY REGISTRATION NUMBER
3023689 (Registered in England)

The Company is an investment company as defined under Section 833 of the Companies Act 2006.

The Company was incorporated in England on 14 February 1995. The Company was incorporated as Finsbury Worldwide Pharmaceutical Trust PLC.

ALTERNATIVE INVESTMENT FUND MANAGER, COMPANY SECRETARY AND ADMINISTRATOR
Frostrow Capital LLP
25 Southampton Buildings
London WC2A 1AL

Telephone: 0203 008 4910
E-Mail: info@frostrow.com
Website: www.frostrow.com

Authorised and regulated by the Financial Conduct Authority.

If you have an enquiry about the Company or if you would like to receive a copy of the Company's monthly fact sheet by e-mail, please contact Frostrow Capital using the above e-mail address.

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CUSTODIAN AND PRIME BROKER
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USA

REGISTRAR
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Leeds LS1 4DL

E-mail: enquiries@linkgroup.co.uk
Telephone (in UK): 0371 664 0300†
Telephone (from overseas):
+ 44 371 664 0300†
Shareholder Portal:
www.signalshares.com
Website: www.linkgroup.eu

STOCK BROKER
Winterflood Securities Limited
The Atrium Building
Cannon Bridge
25 Dow Gate Hill
London EC4R 2GA

SHAREHOLDER PORTAL
You can register online to view your holdings using the Share Portal, a service offered by Link Group at www.signalshares.com.

The Share Portal is an online service enabling you to quickly and easily access and maintain your shareholding online

– reducing the need for paperwork and providing 24 hour access to your shareholding details.

Through the Share Portal you may:

- Cast your proxy vote online;
- View your holding balance and get an indicative valuation;
- View movements on your holding;
- Update your address;
- Register and change bank mandate instructions so that dividends can be paid directly to your bank account;
- Elect to receive shareholder communications electronically; and
- Access a wide range of shareholder information including the ability to download shareholder forms.

FINANCIAL CALENDAR

Financial Year End	31 March
Final Results Announced	June
Half Year End	30 September
Half Year End Results Announced	November
Dividends Payable	January/July
Annual General Meeting	July

SHARE PRICE LISTINGS

The price of your shares can be found in various publications including the Financial Times, The Daily Telegraph, The Times and The Scotsman.

The Company's net asset value per share is announced daily on the TrustNet website at www.trustnet.com

IDENTIFICATION CODES

Shares:	
SEDOL:	0338530
ISIN:	GB0003385308
BLOOMBERG:	WWH LN
EPIC:	WWH
Global Intermediary Identification Number (GIIN)	FIZWRN.99999.SL.826
Legal Entity Identifier (LEI)	5493003YBCY4W1IMJU04

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DISABILITY ACT

Copies of this annual report and other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats, including Braille, audio tape or larger type as appropriate. You can contact the Registrar to the Company, Link Group, which has installed telephones to allow speech and hearing impaired people who have their own telephone to contact them directly, without the need for an intermediate operator, for this service please call 0800 731 1888. Specially trained operators are available during normal business hours to answer queries via this service. Alternatively, if you prefer to go through a 'typetalk' operator (provided by the RNID) you should dial 18001 followed by the number you wish to dial.