

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 31 May 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 5th 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.

Trust Characteristics

Number of Holdings 79

Net Assets (£m) 2,095.4

Market Capitalisation (£m) 1,986.4

Dividends Provisional payment dates: January & July

Indicative Yield 0.7%

Gearing 1.2%

Leverage** Gross 112.3%
 Commitment 108.8%

Share Price (p) 3045.00

NAV per share (p) (cum income) 3212.09

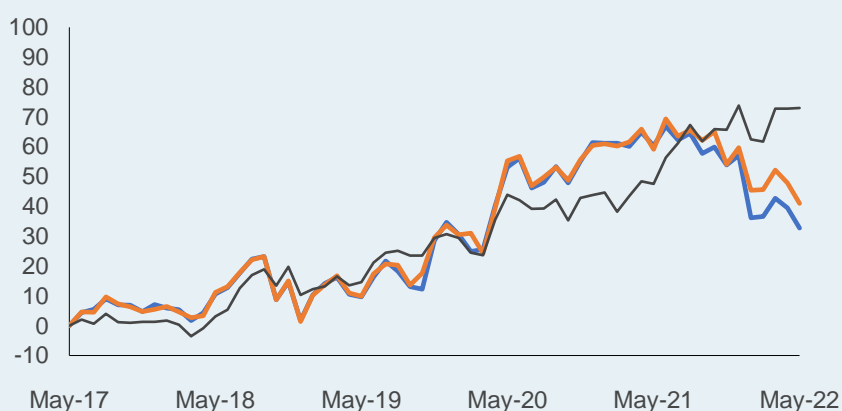
(Discount) / Premium (5.2%)

Portfolio Turnover p.a. 75.9%

Active Share*** 67.1%

Five Year Performance (%)

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.



— Share Price (total return) +32.7%
 — Net Asset Value per share (total return) +41.0%
 — Benchmark: MSCI World Health Care Index (net total return; sterling adjusted) +72.5%

Source: Morningstar, Index - Bloomberg.

Ten Largest Holdings as at 31 May 2022

Name	Region	Sector	Total
AstraZeneca	Europe	Pharmaceuticals	6.1
Bristol-Myers Squibb	North America	Pharmaceuticals	5.3
Pfizer	North America	Pharmaceuticals	4.6
Roche	Europe	Pharmaceuticals	4.5
Boston Scientific	North America	Health Care Equipment & Supplies	4.2
Humana	North America	Health Care Providers & Services	4.2
Horizon Therapeutics	North America	Pharmaceuticals	4.1
AbbVie	North America	Pharmaceuticals	4.0
UnitedHealth	North America	Health Care Providers & Services	3.9
Healthcare M&A Target Swap	North America	Swap Baskets	3.8
Total			44.7

Sector, Region & Asset Class*** Breakdown at 31 May 2022***
 (%)

Pharmaceutical	35.3	North America	68.1	Listed Equities	86.4
Healthcare Equipment / Supplies	18.6	Europe	14.2	Unquoteds	7.8
Biotechnology	17.8	China / Hong Kong	11.9	Equity Swaps	5.8
Healthcare Providers / Services	17.8	India	3.3	Total	100.0
Life Sciences Tools & Services	6.5	Japan	2.5		
Swap Baskets	3.8	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

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	-11.7
Share Price	20.7	-5.0	32.3	19.9	-2.6	-15.5
Index	9.4	8.8	18.4	10.3	20.8	-0.7

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	May 17- May 18	May 18- May 19	May 19- May 20	May 20- May 21	May 21- May 22
NAV	11.1	-1.2	41.3	2.5	-11.4
Share Price	10.6	-0.9	39.6	4.7	-17.2
Index	3.1	10.8	26.3	2.2	17.0

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

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 multi-national 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.

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



Commentary

In May, the NAV per share total return was down 4.6%, the share price total return was down 4.8% and the MSCI World Health Care Index was up 0.2%, on a net total return, sterling adjusted basis.

Equity markets in May continued to grapple with major overhangs that have so far characterized trading in 2022, namely inflation, monetary tightening, and rising interest rates. The result was a roller coaster month with early stock market declines and a late month rally which resulted in essentially flat performance across major indices, including Healthcare. However, a notable exception was biotechnology, with small/mid-cap stocks experiencing another fall that did not recover into the month end (the XBI was down over 7% in sterling terms in May).

The top contributor in the month was Pfizer. The company reported better than expected first quarter revenues and earnings in early May and followed up with an astute acquisition of the neurology company, Biohaven Pharmaceutical, giving Pfizer a commercial blockbuster drug for the treatment of migraine headaches. Rising COVID-19 infections in the U.S. may have also contributed to a share price tail wind, given Pfizer's leading position in both vaccines and anti-viral treatments. Share price momentum continued for the Hong Kong-listed medical device maker, Shanghai Bio-Heart Biological Technology. The company's share price has now tripled (in sterling terms) since the late 2021 IPO. Finally, we note a contributor of import was Turning Point Therapeutics. The small/mid-cap oncology company was acquired for \$4.1 billion, a >120% premium, by Bristol-Myers Squibb as the company expands its large footprint of novel cancer treatments.

The largest detractor in May was from positioning within biotechnology stocks, which contributed to nearly half of the underperformance in the month. This was exacerbated by Roche whose shares fell after a disappointing update for their novel lung cancer drug candidate from the "TIGIT" class which failed to show meaningful efficacy after an interim analysis. Shares in the diagnostics company, Guardant Health, also fell after the company announced delays to their much anticipated "ECLIPSE" trial, pushing the read-out of this large-scale, liquid biopsy colorectal cancer screening study into year-end.

Looking ahead, we are encouraged by the acquisition activity we observed in the past two months, with several multibillion-dollar deals being consummated. We expect this trend to continue, if not accelerate, given the historic sell-off we have witnessed over the past 16 months that has decimated the valuations of the small/mid-cap biotechnology sector, creating incredible bargains that have not been seen before.

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.

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Risk Warnings

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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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