WORLDWIDE HEALTHCARE TRUST PLC

Half Year Report & Accounts

for the six months ended 30 September 2023

Frostrow CAPITAL

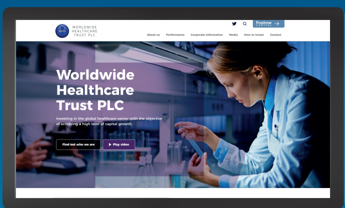
OrbiMed Healthcare Fund Management

COMPANY SUMMARY

GOVERNANCE

FINANCIAL STATEMENTS

FURTHER INFORMATION



For more information about Worldwide Healthcare Trust PLC visit the website at

www.worldwidewh.com

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WORLDWIDE HEALTHCARE TRUST PLC

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.

INVESTMENT OBJECTIVE AND POLICY

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 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.

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 speciality 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, Japan, China and India (see page 7 for further information).

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 41 and 42.

For more information about Worldwide Healthcare Trust PLC visit the website at www.worldwidewh.com. Follow us on X @worldwidewh.

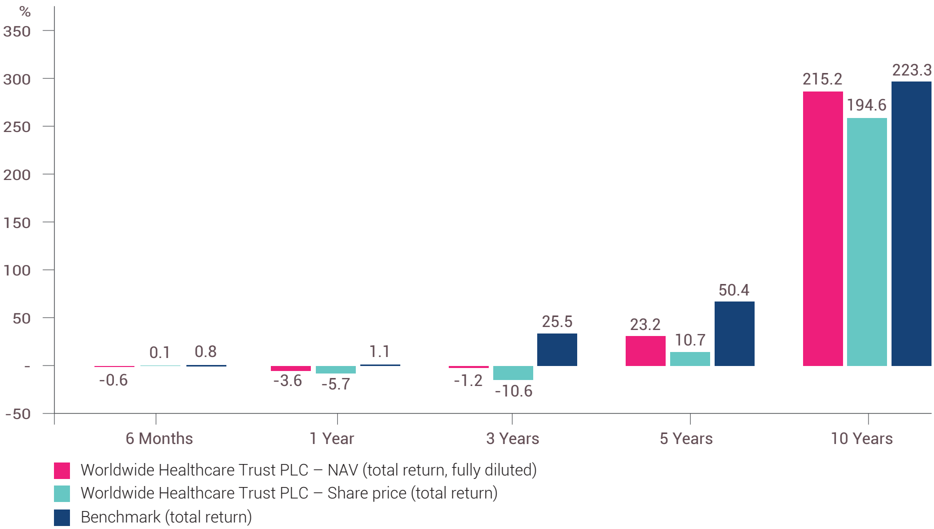
PERFORMANCE

	Six months to 30 September 2023	One year to 31 March 2023
Net asset value per share (total return)* #	(0.6%)	(0.1%)
Share price (total return)* #	0.1%	(4.1%)
Benchmark (total return)^ #	0.8%	2.5%

	30 September 2023	31 March 2023	Six months change
Net asset value per share[1]	339.3p	343.5p	(1.2%)
Share price[1]	309.5p	311.5p	(0.6%)
Discount of share price to the net asset value per share*	8.8%	9.3%	
Leverage*	14.6%	10.5%	
Ongoing charges*	0.8%	0.8%	
Ongoing charges (including performance fees crystallised during the period)*	0.8%	0.8%	

Source – Morningstar.
^ Benchmark – MSCI World Health Care Index on a net total return, sterling adjusted basis (see Glossary beginning on page 36).
* Alternative Performance Measure. Leverage calculated under the Commitment Method (see Glossary beginning on page 36).
[1] Comparative figures restated to reflect the ten for one share split during the period.

CUMULATIVE PERFORMANCE TO 30 SEPTEMBER 2023



Source: Morningstar

STATEMENT FROM THE CHAIR

DOUG MCCUTCHEON

PERFORMANCE

The first half of the Company's financial year was a volatile period for markets, and the Company was not immune to this. External events continued to exert their influence, with geopolitics and macroeconomic conditions at the forefront of investors' minds. The MSCI World and the FTSE All-Share Indices produced sterling based total returns of +4.5% and +1.4%, respectively. The Company's Benchmark, the MSCI World Healthcare Index, measured on a net total return, sterling adjusted basis rose by 0.8%.

Against this backdrop, the Company's net asset value per share total return was -0.6%, underperforming the Benchmark during the period. The Company's share price total return was slightly better at +0.1%, which reflected a narrowing of the discount of the Company's share price to its net asset value per share to 8.8% at the end of the half year (from 9.3% at the beginning). During the period, in absolute terms, net asset value performance was helped by the weakness of sterling, as sterling depreciated by 1.3% against the U.S. dollar, the currency in which the majority of the Company's investments are denominated.

The Company's investment performance has been disappointing in recent periods. The Board continues to monitor our performance closely and will further report on it in the full year results.

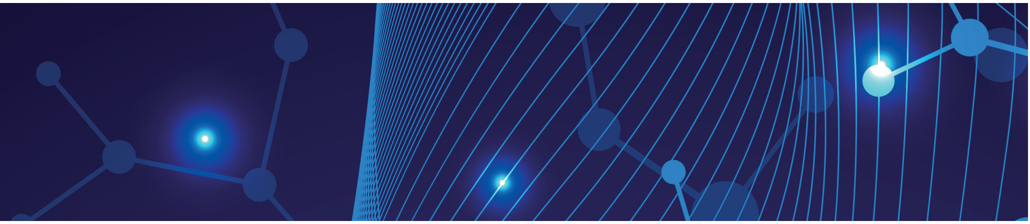
Looking at specific names in the portfolio, the largest contributions during the reporting period came from the large capitalisation pharmaceutical companies **Novo Nordisk** and **Eli Lilly**, both of which benefited from their exposure to the rapidly growing GLP-1 agonist anti-obesity therapy market. The principal detractors from performance were the large capitalisation pharmaceutical company Bristol Myers Squibb and biotechnology company **UniQure**. Further information regarding the Company's investments and performance can be found in the Review of Investments.

The Company had, on average, leverage of 14.7% during the period, which detracted 0.1% from performance. As at the half year-end, leverage stood at 14.6%, compared to 10.5% at the beginning of the period. Our Portfolio Manager continues to adopt both a pragmatic and a tactical approach to the use of leverage, which adds to performance in periods of rising portfolio share prices and has benefited the Company over time.

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 capabilities, continues to identify unquoted opportunities although, in the period under review, no new unquoted investments were made. Exposure to unquoted equities accounted for 6.5% of the total portfolio at the half year-end, and these holdings made a negative contribution of -0.3% to the Company's performance during the period under review.

SHARE SPLIT

In the Company's annual report published on 6 June 2023, the Board set out its plans to undertake a share split of each of the Company's shares of 25p each into 10 shares of 2.5p each. The share split proposal was approved by shareholders at the Company's Annual General Meeting held on 18 July 2023 and the new shares began trading on 27 July 2023. For every share held immediately prior to the transaction, shareholders received nine additional shares. Shareholders should note that the split did not affect the value of your investment in the Company, nor your shareholder rights.



PERFORMANCE FEE

No performance fee was accrued as at 30 September 2023 and no performance fee can become payable within the next year. The performance fee arrangements are described in detail in the Company's Annual Report.

CAPITAL

Challenging stock market conditions and investor sentiment since the beginning of 2022 have continued to have a negative impact on share price discounts across the investment company sector, with the average level of discount currently standing at c.15.2%*.

It is the Board's policy to buy back our shares if the Company's share price discount to the net asset value per share exceeds 6% on an ongoing basis. Shareholders should note, however, that it remains possible for the discount to be greater than 6%, particularly when sentiment towards the Company, the sector and to investment trusts generally remains poor. In such an environment, buybacks may prove unable to prevent the discount from widening. However, they enhance the net asset value per share for remaining shareholders and go some way to dampening discount volatility, which can adversely affect investors' risk adjusted returns. Therefore, the Company's share buy-back policy remains unchanged.

During the period under review, the Company regularly repurchased shares. A total of 42,028,574 shares was repurchased for treasury at a cost of £133.4m and at an average discount of 9.3%. The total number of shares shown to have been repurchased during the period has been adjusted to reflect the share split which took effect from 27 July 2023.

At the period end, there were 584,179,056 shares in issue (excluding the 17,486,144 shares held in treasury). Since the period end to 21 November 2023, a further 11,923,082 shares have been bought back for treasury, at a cost of £35.8m and at the time of writing, the share price discount stands at 10.7%.

In line with the Company's stated policy, I confirm that 4,892,258 shares held in treasury following the date of the Company's Annual General Meeting in July 2023, were cancelled. The cancellation took place prior to the share split. The Company currently holds 29,409,226 shares in treasury.

DIVIDENDS

The Board has declared an interim dividend of 0.7p per share, for the year to 31 March 2024, which will be payable on 11 January 2024 to shareholders on the register of members on 24 November 2023. The associated ex dividend date is 23 November 2023. Last year the Company paid an interim dividend of 7.0p per share. The level of this year's interim dividend per share is the same level as last year taking account of the share split which became effective on 27 July 2023.

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, a maximum of 15% of income can be retained by the Company in any financial year.

It is the Board's continuing belief that it is in shareholders' best interests to see the Company's capital deployed in its investment portfolio rather than paid out as dividends to achieve a particular target yield.

* Source: Winterflood Investment Trusts

STATEMENT FROM THE CHAIR CONTINUED

COMPOSITION OF THE BOARD

Having joined the Company's Board in 2016, Humphrey van der Klugt has expressed his intention to retire as a Director at the conclusion of next year's Annual General Meeting, to be held on 10 July 2024. Humphrey became Chair of the Audit & Risk Committee in September 2016, handing over this role to Tim Livett in March of this year. Humphrey's accounting and investment management experience, as well as his leadership, wisdom and probing questions, have been very valuable to the Board's deliberations - he will be missed. The process of finding a new Director has begun and the Board will keep shareholders informed of the progress made.

OUTLOOK

Macroeconomic conditions continue to be difficult. Against a backdrop of high interest rates and volatile markets, equity investment remains challenging. This includes investing in the healthcare sector. However, the fundamentals of the healthcare sector remain strong.

As our Portfolio Manager sets out on pages 8 to 25, they are positive about the outlook for the healthcare sector. At some point, investment fundamentals will again reassert themselves over the macro environment. Our Portfolio Manager expects the currently elevated level of merger and acquisition activity to continue, supported by attractive valuations, healthy balance sheets and, within the larger pharmaceutical and biotechnology sub-sectors, a need to address future patent expirations. In addition, the pace of scientific and technological development within the healthcare sector more broadly will remain unchecked, with clinical and technological catalysts providing a regular flow of significant share price moving events.

As an indication of the continued strong demand for healthcare investment opportunities amongst professional investors, it is encouraging that in recent weeks our Portfolio Manager has been successful in raising three new funds totalling in excess of U.S$4.3bn to invest in venture capital, royalties and Asian healthcare companies.

Doug McCutcheon

Chair
22 November 2023

PORTFOLIO

AS AT 30 SEPTEMBER 2023

Investments	Sector	Country	Market value £'000	% of investments
Novo Nordisk	Pharmaceuticals	Denmark	133,917	6.3
AstraZeneca	Pharmaceuticals	United Kingdom	124,043	5.9
Boston Scientific	Health Care Equipment & Supplies	United States	111,522	5.3
Humana	Health Care Providers & Services	United States	103,638	4.9
Intuitive Surgical	Health Care Equipment & Supplies	United States	93,422	4.4
Merck	Pharmaceuticals	United States	72,989	3.4
Eli Lilly	Pharmaceuticals	United States	71,276	3.4
BioMarin Pharmaceutical	Biotechnology	United States	70,085	3.3
Daiichi Sankyo	Pharmaceuticals	Japan	70,032	3.3
Sanofi	Pharmaceuticals	France	69,665	3.3
Top 10 investments			**920,588**	**43.4**
Roche	Pharmaceuticals	Switzerland	66,336	3.1
Eisai	Pharmaceuticals	Japan	60,173	2.8
Biogen	Biotechnology	United States	59,855	2.8
Tenet Healthcare	Health Care Providers & Services	United States	51,933	2.4
Stryker	Health Care Equipment & Supplies	United States	49,959	2.4
Baxter International	Health Care Equipment & Supplies	United States	48,558	2.3
Thermo Fisher Scientific	Life Sciences Tools & Services	United States	46,882	2.2
Ionis Pharmaceuticals	Biotechnology	United States	46,721	2.2
Caris Life Sciences *	Life Sciences Tools & Services	United States	45,531	2.1
Evolent Health	Health Care Providers & Services	United States	44,400	2.1
Top 20 investments			**1,440,937**	**68.0**
Mirati Therapeutics	Biotechnology	United States	43,372	2.0
United Therapeutics	Biotechnology	United States	41,366	2.0
Cigna Group	Health Care Providers & Services	United States	39,846	1.9
Sarepta Therapeutics	Biotechnology	United States	31,865	1.5
Vertex Pharmaceuticals	Biotechnology	United States	31,624	1.5
AbbVie	Pharmaceuticals	United States	31,150	1.5
R1 RCM	Health Care Providers & Services	United States	31,052	1.5
Neurocrine Biosciences	Biotechnology	United States	30,173	1.4
UnitedHealth	Health Care Providers & Services	United States	28,919	1.4
SI-BONE	Health Care Equipment & Supplies	United States	26,138	1.2
Top 30 investments			**1,776,443**	**83.8**
Apellis Pharmaceuticals	Biotechnology	United States	24,767	1.2
Natera	Life Sciences Tools & Services	United States	23,398	1.1
GSK	Pharmaceuticals	United Kingdom	22,869	1.1
Shanghai Kindly Medical Instruments	Health Care Equipment & Supplies	China	21,364	1.0
ICON	Life Sciences Tools & Services	United States	20,960	1.0
WuXi AppTec	Life Sciences Tools & Services	China	20,434	1.0
Vaxcyte	Biotechnology	United States	20,025	0.9
Madrigal Pharmaceuticals	Biotechnology	United States	19,384	0.9
Crossover Health *	Health Care Providers & Services	United States	17,407	0.8
New Horizon Health	Life Sciences Tools & Services	China	15,300	0.7
Top 40 investments			**1,982,351**	**93.5**

PORTFOLIO CONTINUED

Investments	Sector	Country	Market value £'000	% of investments
Beijing Yuanxin Technology *	Health Care Providers & Services	China	15,207	0.7
EDDA Healthcare & Technology *	Health Care Equipment & Supplies	China	14,838	0.7
Wuxi Biologics	Life Sciences Tools & Services	China	14,072	0.7
VISEN Pharmaceuticals *	Biotechnology	China	13,621	0.6
Jiangxi RiMAG *	Health Care Providers & Services	China	11,692	0.6
Ruipeng Pet Group *	Health Care Providers & Services	China	11,015	0.5
Iovance Biotherapeutics	Biotechnology	United States	10,657	0.5
Xenon Pharmaceuticals	Biotechnology	Canada	10,038	0.5
uniQure	Biotechnology	Netherlands	7,410	0.3
Akero Therapeutics	Biotechnology	United States	7,252	0.3
Top 50 investments			**2,098,155**	**99.0**
MabPlex *	Health Care Providers & Services	China	6,021	0.3
Innovent Biologics	Biotechnology	China	5,962	0.3
Ikena Oncology	Biotechnology	United States	5,769	0.3
Shanghai Bio-heart Biological Technology	Health Care Equipment & Supplies	China	3,640	0.2
Dingdang Health Technology	Health Care Providers & Services	China	2,658	0.1
API Holdings *	Health Care Providers & Services	India	1,976	0.1
Passage Bio	Biotechnology	United States	1,121	0.1
Peloton Therapeutics - Milestone *	Biotechnology	United States	512	0.0
Total equities			**2,125,814**	**100.3**
Equity Swaps				
Healthcare M&A Target Swap	Basket Swaps	United States	101,053	4.8
Catalyst Swap	Basket Swaps	United States	12,736	0.6
Apollo Hospitals Enterprise	Health Care Providers & Services	India	13,467	0.6
WuXi AppTec	Life Sciences Tools & Services	China	18,543	0.9
Less: Gross exposure on financed swaps			(151,571)	(7.1)
Total Equity Swaps			**(5,772)**	**(0.3)**
Total investments including OTC Swaps			**2,120,042**	**100.0**

* Unquoted holding.

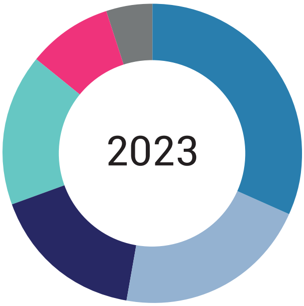
SUMMARY

Investments	Market value £'000	% of investments
Listed Equities	1,987,993	93.8
Unquoted Equities	137,821	6.5
Equity Swaps	(5,772)	(0.3)
Total of all investments	**2,120,042**	**100.0**

PORTFOLIO DISTRIBUTION

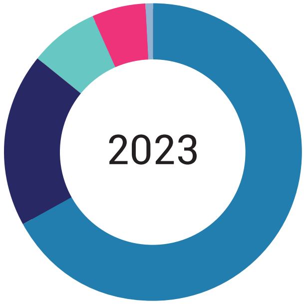
BY SECTOR*

AS AT 30 SEPTEMBER



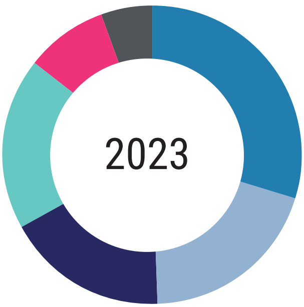
Pharmaceutical	31.8%
Healthcare Equipment/Supplies/Technology	21.2%
Biotechnology	16.7%
Healthcare Providers & Services	16.3%
Life Sciences Tools & Services	9.0%
Basket Swaps	5.0%

BY GEOGRAPHY*

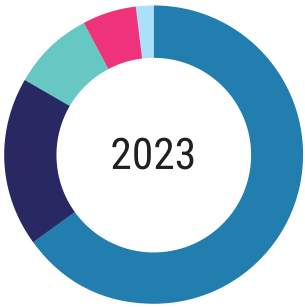


North America	67.2%
Europe	18.7%
China	7.7%
Japan	5.7%
India	0.7%

AS AT 31 MARCH



Pharmaceutical	29.9%
Healthcare Equipment/Supplies/Technology	19.6%
Biotechnology	17.6%
Healthcare Providers & Services	18.7%
Life Sciences Tools & Services	8.7%
Basket Swaps	5.5%



North America	65.3%
Europe	18.3%
China	8.8%
Japan	5.7%
India	1.9%

* Expressed as a % of the total economic exposure.
Source Frostrow; Unquoted investments are allocated to their relevant sub-sectors.

PORTFOLIO MANAGER'S REVIEW

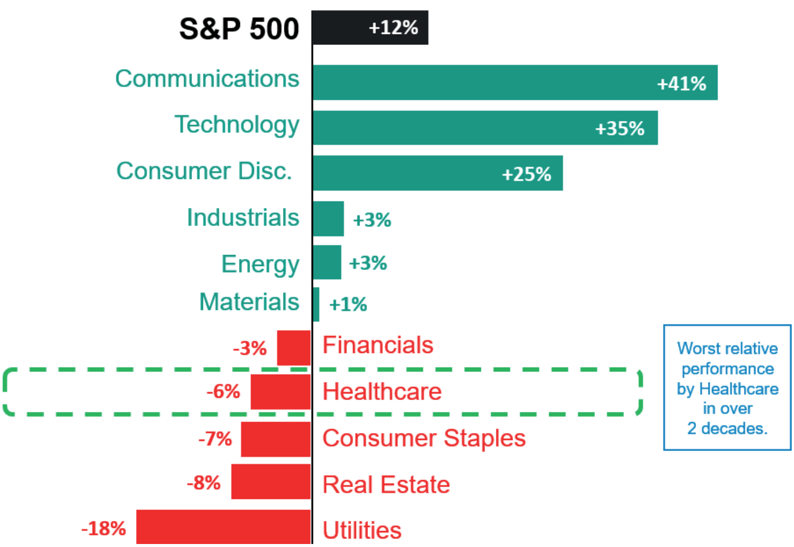
MARKETS

In the post-pandemic era, major macro factors have clearly been the largest influencers shaping global equity returns. Extreme inflationary pressures, the invasion of Ukraine, supply chain issues, and recessionary fears all helped push equity markets lower in 2022. So far in 2023, declining recessionary fears and a soft landing for the economy, despite continued upward pressure for interest rates, had the broad market rebounding. To note, the total returns in sterling terms for the MSCI World Index for the calendar year to the end of September was +11.6%, the S&P 500 was +12.0%, and the FTSE All-Share was +4.3% (source: Bloomberg).

However, 2023 has been difficult for healthcare stocks. In fact, relative performance versus the S&P has been the worst in over 20 years, with a -18% spread of share price underperformance for healthcare (in sterling terms) since the start of the calendar year. The primary issue – again – was macro in nature. Specifically, a recession did not materialise in 2023, the economy has been more robust than anticipated, and investors have chased growth, mostly in technology and communication stocks. Interest rates being "higher for longer" exacerbated this situation. This has neutralised the defensive aspects of healthcare stocks and marginalised absolute performance this year.

S&P 500 PRICE PERFORMANCE vs. CONSTITUENTS

(9 months to 30 September 2023; GBP)



Source: Bloomberg

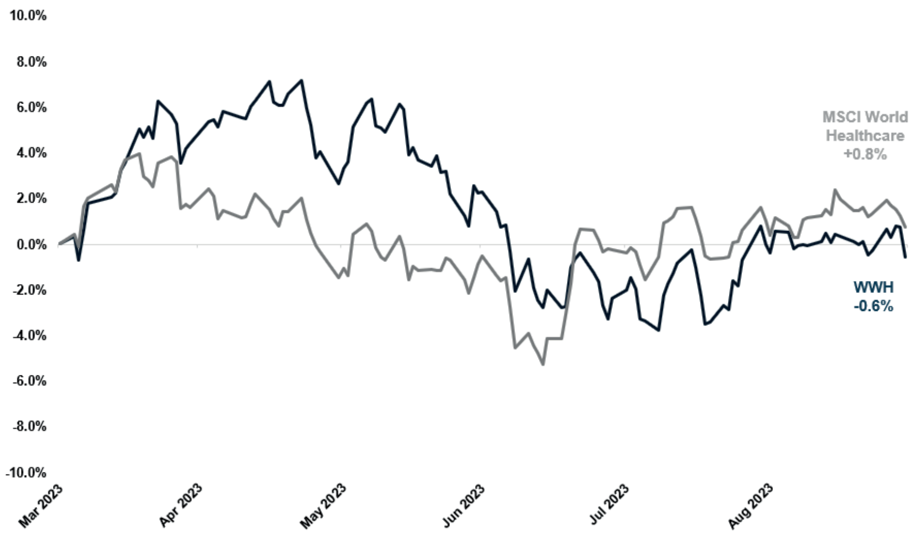
PORTFOLIO MANAGER'S REVIEW CONTINUED

PERFORMANCE

For the period under review, the Company produced a net asset value total return of -0.6% whilst the share price total return was +0.1%. This performance lagged the Benchmark total return of +0.8% (MSCI World Healthcare Index). Multiple factors weighed on both absolute and relative performance.

SIX-MONTH PERFORMANCE COMPARISON

(Worldwide Healthcare Trust vs. MSCI World Healthcare Index)



Source: Bloomberg, OrbiMed; Data updated through 30 September 2023

First and foremost, absolute returns were impacted by a lagging healthcare sector, as discussed on the prior page. With a more robust than expected economy, healthcare share price returns were mostly flat to down in the period (save for large capitalisation stocks, up modestly on average). The macro impact on performance can better be identified by breaking down the six-month period into individual segments. The only segment where healthcare stocks enjoyed a respite from the macro overhangs was predominantly in April and May 2023. During this period, the fate of the economy was still being debated and markets were stable and moved higher as did healthcare stocks. Stock picking mattered, positive catalysts were rewarded, and the Company's performance was strong at over a 7% return, more than 5% ahead of the Benchmark.

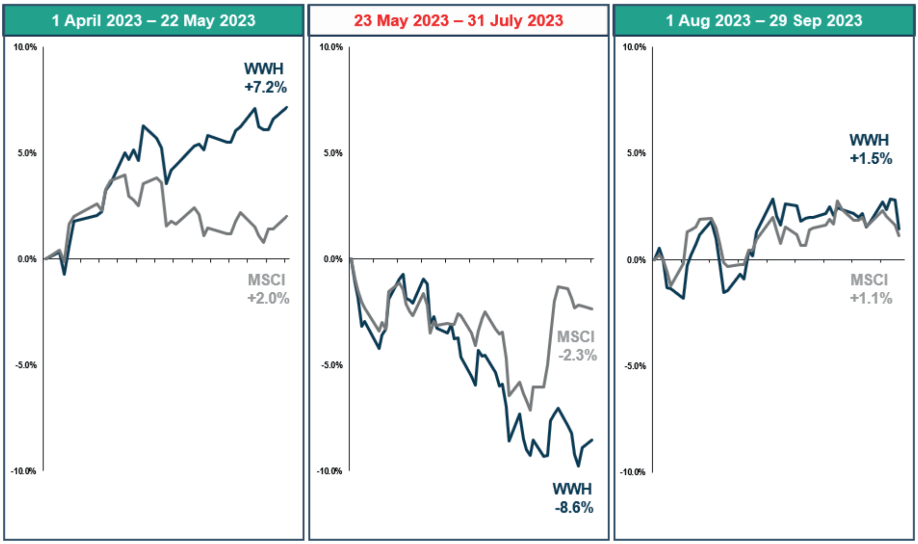
However, the macro environment reversed at the end of May and into June and July. Investor confidence in the economy inflected, technology stocks rallied, and the S&P 500 hit an all-time high at the end of July. During this period, healthcare stocks lagged materially, fundamentals of the sector were muted, and catalysts were punished. Biotechnology stocks were particularly out-of-favour, indiscriminately falling nearly 15% (in U.S.$ terms). This was reflected in the Company's absolute and relative performance.

PORTFOLIO MANAGER'S REVIEW CONTINUED

The final two-months of the period were a mix of both macro and fundamental influences. On the macro front, a downgrade of the U.S. credit rating and messaging that interest rates would be "higher for longer" paused the broad market rally. Fundamentally, interest in healthcare stocks re-ignited with the better-than-expected disclosure of the cardiovascular benefits of **Novo Nordisk**'s weight-loss drug, Wegovy (semaglutide), in August, although it was partially offset by a sell-off in medical technology stocks as a result.

SIX-MONTH PERFORMANCE COMPARISON – by SEGMENT

(Worldwide Healthcare Trust vs. MSCI World Healthcare Index)



Source: Bloomberg, OrbiMed; Data updated through 30 September 2023

In the six-month period, the largest contribution came from investments in large capitalisation pharmaceutical stocks, most notably **Novo Nordisk** and **Eli Lilly**. The phenomenon that the "obesity drugs" have become is real, given the outstanding weight loss efficacy and now the objective disclosure that these drugs can significantly lower the possibility of overweight patients experiencing heart attack, stroke, or death due to a cardiovascular event. This buoyed investor (and patient) enthusiasm and share prices reflected this accordingly. On a relative basis, attribution from large capitalisation pharmaceutical stocks was modestly negative due to allocation, as this sector remains a strategic underweight in the portfolio.

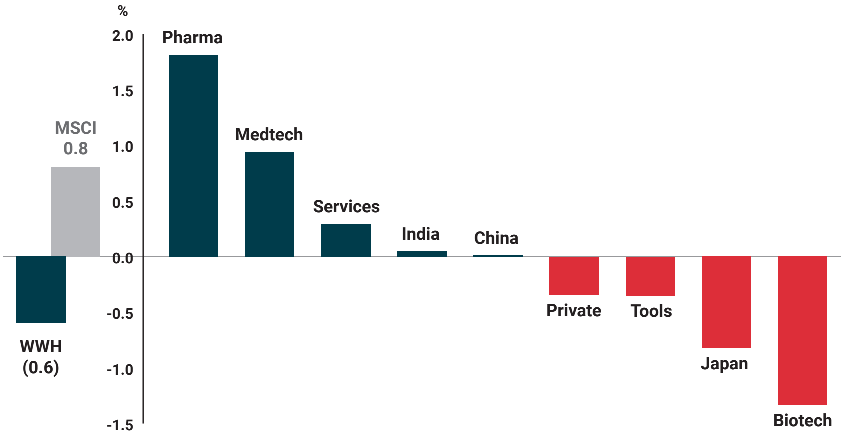
Another important source of contribution came from medical technology stocks in the period. A number of fundamental tailwinds attracted investor flows, including increased procedural volumes due to a clear inflection in demand and utilisation of healthcare services (post the pandemic), a positive pricing environment, and easy year-over-year comparisons. Relative contribution was even more impressive given positive stock picking in the period. Total contribution was partially clipped after the

PORTFOLIO MANAGER'S REVIEW CONTINUED

cardiovascular benefit of the aforementioned weight loss drugs was disclosed, as investors feared lowered future demand from the medical technology industry and much of the sector sold off.

ABSOLUTE ATTRIBUTION BY SUBSECTOR TO 30 SEPTEMBER 2023

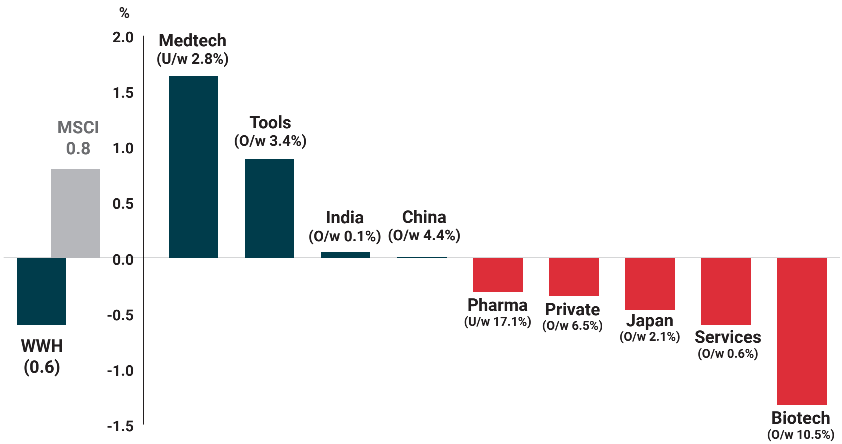
(Worldwide Healthcare Trust vs. MSCI World Healthcare Index)



Source: Bloomberg, Frostrow

RELATIVE ATTRIBUTION BY SUBSECTOR TO 30 SEPTEMBER 2023

(Worldwide Healthcare Trust vs. MSCI World Healthcare Index)



Source: Bloomberg, Frostrow
O/w - Company is overweight vs the Benchmark
U/w - Company is underweight vs the Benchmark

PORTFOLIO MANAGER'S REVIEW CONTINUED

The Company's net underperformance was primarily due to allocation in biotechnology stocks, particularly small and mid-capitalisation biotechnology. This sub-sector was down by 3% (in sterling total return terms) in the reported period and down 13% in the calendar year (as measured by the SPDR S&P Biotech ETF (XBI)). The sub-sector continued to be out of favour with investors, especially in this prolonged high interest rate environment. In fact, the performance of the XBI made new records as it continued its drawdown, now the longest ever at over 31 months since the peak and the largest as well, now -76% relative to the S&P (as of 29 September 2023). The negative contribution from biotechnology was partially exacerbated by stock picking, with some notable idiosyncratic negative catalysts that occurred during the six-month period.

SPDR S&P BIOTECH ETF (XBI) PERFORMANCE since PEAK

(8 February 2021 to 30 September 2023; USD)

Source: Bloomberg; OrbiMed

Another sub-sector of import that contributed to the negative performance was the investment in Japanese pharmaceutical stocks, predominantly due to stock picking. Also of note were unquoted (private) holdings which detracted 0.3%.

UNQUOTED HOLDINGS

During the half year, the Company strategically refrained from making new investments in unquoted (private) companies, as we continued to cautiously navigate the challenging public offering market for small and mid-capitalisation therapeutic firms. The capital market funding landscape has been improving and we are optimistic about the ability of some of our unquoted investments to achieve listings within the next year.

As of the half year end, unquoted company investments made up 6.5% of the Company's portfolio, a slight decrease from 6.7% on 31 March 2023. The existing unquoted portfolio demonstrates a diverse and forward-looking approach. Geographically, exposure is evenly distributed among emerging markets and North American companies. On a sub-sector basis, the exposure is concentrated in services and life science tools, with small exposures to biotechnology and medical technology.

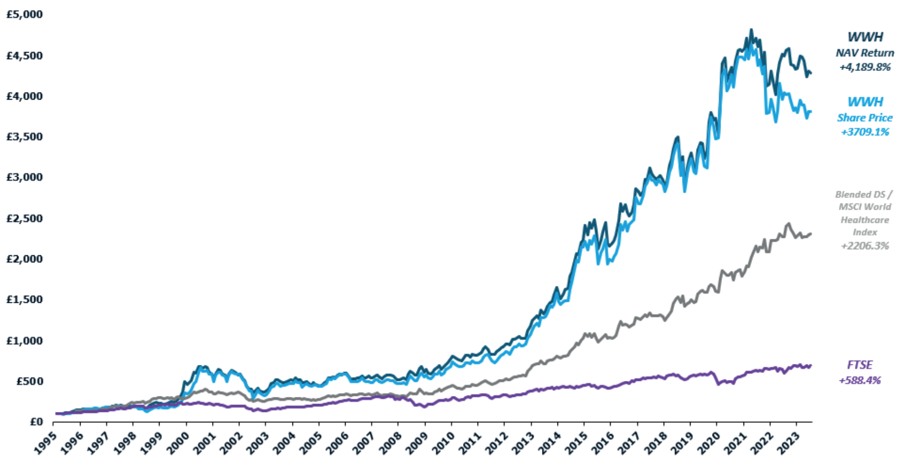
PORTFOLIO MANAGER'S REVIEW CONTINUED

During the period under review, the Company's unquoted investments returned a loss of £7.3 million, from an opening market value of £145.2 million across 11 positions, an implied return of -5.1% which detracted -0.3% from performance. Unfortunately, this negative return was exclusively driven by a single investment in India, **API Holdings** (better known as PharmEasy), that experienced a material write-down in its valuation. The company was compelled to accept a capital infusion at a distressed valuation after a planned IPO was delayed due to adverse market conditions, leading to a funding shortfall, including a potential breach of a debt covenant. Otherwise, eight out of 11 investments posted small positive returns in the period, including North American unquoted holdings returning a gain of £4.3 million. Given the emerging positive trends in the market and our strategic approach, we remain confident in the future performance of our unquoted investments.

Overall, we remain proud of performance since inception over 28-plus years. Since its inception as of 28 April 1995, the Company's net asset value has posted a +4,189% return, a 42x multiple for an average of +14.1% per annum through to the end of the half year. This compares to a benchmark return of +2,206% and +11.7% per annum over the same investment horizon, and a FTSE All Share Index return of +588% and +7.5%.

PERFORMANCE SINCE INCEPTION

(Worldwide Healthcare Trust NAV vs. Blended Benchmark)



Source: Frostrow, Bloomberg

MAJOR CONTRIBUTORS TO PERFORMANCE

The pursuit of innovation is a longtime hallmark of the Company. In 2023, the cardiometabolic therapeutic category reached a new level of innovation with semaglutide, a best-in-class "GLP-1" agonist approved for the treatment of diabetes (Ozempic) and obesity (Wegovy), a medication from the leader in this space, **Novo Nordisk**. Whilst Ozempic was first approved in 2017, and reformulated as Wegovy in 2021, landmark data was announced in August 2023, in the form of the "SELECT" trial. This was a global study in nearly 18,000 patients over five years that unequivocally showed a -20% drop in the risk of an obese patient suffering a "MACE" event (heart attack, stroke, or

PORTFOLIO MANAGER'S REVIEW CONTINUED

cardiovascular related death) by taking a once-weekly injection of Wegovy. This data surpassed all investor expectations and moved this drug from a lifestyle intervention into a chronic care medicine that can prolong a patient's life. So far, the demand for Wegovy in the U.S. has been insatiable, and the company is literally selling everything they can make. Despite the supply constraints, sales of the semaglutide franchise are annualising at U.S.$10 billion per annum. These sales could reach U.S.$50 billion or more, as the company is developing the drug in a host of additional indications, including heart failure, fatty liver disease, sleep apnea, kidney disease, peripheral arterial disease, and even Alzheimer's disease. With additional manufacturing coming online into 2024, we expect a potential doubling of Wegovy sales next year. In the nine months to 29 September 2023, the stock appreciated nearly 40% (in local currency terms) to become the largest company in Europe by market capitalisation (source: Bloomberg).

Another top contributor in 2023, also an undisputed leader in innovation, is **Eli Lilly**. The U.S.-based pharmaceutical company, like **Novo Nordisk**, has a long history in the diabetes and GLP-1 space. The company's most recent offering is Mounjaro (tirzepatide), a dual GLP-1 and "GIP" agonist. Whilst approved for diabetes in 2022, the company presented additional data in obesity in 2023, showing weight loss eclipsing 20% and even approaching 25% in some cases. This dual-agonist therapy has pushed weight loss to new levels and the company benefited materially from the SELECT trial, with investors (and the company) assuming that "more is better": the cardiovascular benefits shown by Wegovy should extend to Mounjaro, if not more so, given the superior weight loss profile. Sales of Mounjaro have already reached U.S.$1 billion per quarter, with the obesity indication still pending approval by the U.S. Food and Drug Administration (FDA) by year-end.

Another driver of share price in 2023 for **Eli Lilly** was their efforts in Alzheimer's disease. Specifically, the company announced in May that their antibody for removing amyloid plaque from the brain (donenemab) significantly slowed cognitive and functional decline in a phase III study in early Alzheimer's disease patients by 35%. This was an impressive result, becoming only the second molecule to demonstrate disease modifying effects. The drug is still pending approval by the FDA by year end. During the period under review, the stock appreciated over 50% (in U.S.$ terms) to become one of the ten largest companies in the world by market capitalisation (source: Bloomberg).

One of the true pioneers of robotic-assisted surgery is **Intuitive Surgical**, a medical equipment company based in California that developed the da Vinci Surgical System – a combination of software, hardware, and optics that allows doctors to perform robotically aided surgery from a remote console. In the quarter preceding the current financial year, the company's share price came under pressure due to concerns around a slowdown in the hospital capital equipment spending cycle and a delay to their next generation surgical robot. However, in the reported period, the company drove a material inflection in procedure volume growth rates given a combination of rebounding U.S. surgical volumes, further adoption of Intuitive technology in international markets such as China, and uptake of new robotic instruments that allow for new procedure indication expansion. Moreover, elevated procedure volumes led to increased robotic system purchases as hospitals become capacity constrained and needed to add new robots. Looking forward, the combination of heightened research & development levels over the past several years and historical system launch timelines suggest the company is on the verge of another new system launch, an event that would be a strong catalyst for their shares.

PORTFOLIO MANAGER'S REVIEW CONTINUED

Mirati Therapeutics is a clinical stage precision oncology company located in San Diego, California. The company's lead asset, adagrasib (MRTX849), is an investigational, highly selective and potent oral small molecule inhibitor of KRAS, a critical target to treat KRAS-mutated cancers commonly found in lung, colorectal and pancreatic cancers. The development programme over the past three plus years has been mixed. However, in August of 2023, the company concurrently announced several updates, including the return of their well-regarded former CEO, positive clinical updates from two ongoing development programs focused on lung cancer, and a U.S.$345 million financing. Shares responded positively as these updates renewed investors' interest in the company. We would also note that shortly after the reported period, Bristol-Myers Squibb announced its intention to acquire **Mirati Therapeutics** for an equity value of U.S.$4.5 billion and a total consideration of up to U.S.$5.8 billion, representing a 52% premium to the 30-day volume-weighted average price (VWAP) as of the unaffected 4 October 2023 close.

Ionis Pharmaceuticals is a leader in RNA-targeted therapeutics, with a focus on neuro, orphan, and cardiometabolic diseases. Its antisense platform works by binding and destroying a messenger RNA (mRNA) in a highly specific manner, such that the amount of disease-causing protein is significantly decreased. The technology can also be used to treat disease by increasing protein production; this led to the development of one the most successful medicines on the market today, Spinraza (nusinersen), for spinal muscular atrophy (SMA). The company has made tremendous progress in the last 12 months on both wholly owned and partnered programmes, creating significant value for shareholders. Late last year, the company reported positive Phase II data from open label extension study of donidalorsen, a key pipeline asset, in patients with hereditary angioedema (HAE). The 95%+ reduction in HAE-attacks in the monthly dosing arm was unprecedented, suggesting its potential to be a new standard of care in HAE. In April, **Ionis Pharmaceuticals** together with **Biogen**, announced the approval of Qalsody (tofersen), marking a major scientific advance in treatment of a specific form of amyotrophic lateral sclerosis (ALS). Following a very successful Phase 3 study in transthyretin polyneuropathy, we expect eplontersen (developed with partner **AstraZeneca**) to be approved on 22 December 2023. In September, the company announced positive olezarsen topline data from Phase III study in patients with familial chylomicronemia syndrome (FCS); impressively, the drug eradicated acute pancreatitis events versus placebo, making this another important medical breakthrough.

MAJOR DETRACTORS FROM PERFORMANCE

In Japan, **Daiichi-Sankyo** has emerged as the global leader in next generation antibody-drug conjugates (ADCs). Unlike conventional chemotherapy treatments, which can damage healthy cells, ADCs are a construct of a targeted medicine linked to chemotherapy agents that only attack cancer cells. **Daiichi-Sankyo** has created new breakthroughs in this technology that has led to new levels of efficacy and survival in cancer patients across a host of tumour types. Their first commercial offering, Enhertu (fam-trastuzumab deruxtecan-nxki) has already achieved blockbuster status, becoming the new standard of care in metastatic breast cancer (with HER2+ expression). Hence, investor enthusiasm increased for their second ADC offering, Dato-DXd (datopotamab deruxtecan), and its role in treating lung cancer. Rising expectations pushed the stock to an all-time high in June 2023. However, a press release in July 2023, confirmed that the first Phase III trial for Dato-DXd in lung cancer met its primary endpoint of progression free survival, whilst the final overall survival metric was not yet reached. Coupled with equivocal qualitative language about clinical

PORTFOLIO MANAGER'S REVIEW CONTINUED

significance of this finding, plus potentially worse than expected safety, pushed the stock price lower, falling over 25% (local currency) from its high over the subsequent month. We believe this reaction was overdone due to a misinterpretation of the company's press release. We held the stock in anticipation of further data disclosures.

Nonalcoholic steatohepatitis, or NASH, is a severe form of fatty liver disease, a condition in which the liver builds up excessive fat deposits. Over time, inflammation, fibrosis, and cirrhosis can occur, leading to liver failure. With few options to treat this deadly condition and a huge prevalence globally, the commercial opportunity is large. **Madrigal Pharmaceuticals** is a clinical-stage biopharmaceutical company based in Pennsylvania, pursuing novel therapeutics for the treatment of NASH. Their primary pipeline asset, resmetirom, is a thyroid hormone β-receptor agonist which is believed to play a role in liver health. It has shown promising data in late stage, pivotal trials for this disease. However, the emergence of data for the GLP-1 class of drugs (for the treatment of diabetes and obesity from **Eli Lilly** and **Novo Nordisk**) have shown significant ability to reduce liver fat accumulation, decrease inflammation, and prevent the progression of fibrosis in patients with NASH. This finding dramatically hurt investor sentiment for all NASH players, including **Madrigal**. **Pharmaceuticals** Share price declines were exacerbated by a change in the CEO chair and a subsequent financing, which removed the takeout premium in the stock.

Massachusetts-based **Apellis Pharmaceuticals** is developing treatments for diseases driven by overactivation of the "complement system", a complex ecosystem of plasma proteins in the blood that work together to fight infection. The company has two commercial products which are different formulations of pegcetacoplan, an inhibitor of the complement protein "C3". The first, Empaveli, a systemic formulation for the treatment of a rare blood disease called paroxysmal nocturnal haemoglobinuria, a disease that involves the destruction of red blood cells and can present as anaemia, blood clots, bone marrow failure, and can be lethal. The second is Syfovre, an "in the eye" formulation for the treatment of an age-related macular degeneration called geographic atrophy (GA) which leads to blindness. Approved by the FDA in February 2023, Syfovre was the first marketed therapy for the treatment of GA. **Apellis Pharmaceuticals** shares rose in mid-2023 as the commercial launch of Syfovre was very successful with rapid adoption. However, in July 2023, shares fell sharply on an unexpected report of severe safety events, called retinal vasculitis, that worsened vision in a handful of patients following treatment with Syfovre. Nevertheless, sales of Syfovre have continued to increase quarter-over-quarter despite the risk of retinal vasculitis. We held the stock as we believe the share price overly discounted the risk of this rare adverse event compared to its important benefit.

The Netherlands-based gene therapy player, **UniQure**, is a clinical-stage company that focuses on neurological disorders. Gene therapy, whilst still somewhat nascent, represents an incredible leap in innovation that has curative properties. The company's lead asset is a novel gene therapy, AMT-130, for Huntington's disease, an inherited disorder that causes cells in parts of the brain to gradually degenerate and die, progressively impacting a person's functional abilities and results in movement, cognitive, and psychiatric disorders. However, in June 2023 the company provided a mixed interim update from its Phase I/II trial for AMT-130, which raised investor concern over target engagement of the gene therapy. That said, we were encouraged by the totality of the data, including the early indication of function benefit across multiple measures.

PORTFOLIO MANAGER'S REVIEW CONTINUED

The global pharmaceutical company, Bristol-Myers Squibb, is well known for its leadership in oncology, with major cancer franchises in both immuno-oncology and multiple myeloma. However, both franchises are aged and have reached or are nearing expiration of exclusivity. With a declining topline, the company's price-to-earnings multiple has compressed to below 10x, creating the most heavily discounted stock in the large cap pharmaceutical space. However, this "value play" turned into a "value trap" in 2023. The company has had one of the most productive pipelines in the industry over the past three years, with new approvals in immunology, haematology, oncology, and cardiovascular disease. However, commercial execution of the many new product launches has underwhelmed, and a top line renaissance has so far failed to materialise. The share price has subsequently fallen further as has the multiple. We exited the stock during the period but will look to revisit the investment opportunity in 2024 where perhaps utilisation and reimbursement of their new drug portfolio may inflect.

DERIVATIVE STRATEGY

The Company has the ability to utilise equity swaps and options as part of its financial strategy. Throughout the financial year, the Company leveraged single stock equity swaps to access Chinese and Indian investments in emerging markets, which would otherwise be inaccessible through more traditional investment methods. During the period under review, single stock equity swaps contributed £7.1 million to performance, and we remain confident in the long-term prospects of emerging market securities, particularly those trading locally in mainland China.

Additionally, the Company strategically invested in two customised tactical basket swaps, targeting growth opportunities in undervalued small and mid-capitalisation therapeutic companies. These baskets were constructed to capitalise on two prevailing themes that we anticipate will deliver strong returns in the current financial year: 1) investment opportunities possessing considerable potential as attractive acquisition targets for larger corporations, and 2) those exhibiting a favourable risk/reward profile in light of upcoming clinical catalysts.

During the period under review, the basket swaps detracted £8.0 million from performance, primarily due to their direct exposure within the emerging biotechnology space, which remained under pressure.

LEVERAGE STRATEGY

Historically, the typical leverage level employed by the Company has been in the mid-to-high teens range. Considering the market volatility during the past three plus financial years, we have, more recently, used leverage in a more tactical fashion. For example, around the beginning of the COVID-19 pandemic in March 2020 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. Another example includes lowered leverage ahead of and into the U.S. Presidential election, under the threat of a Democratic "sweep" of the U.S, Congress.

In 2023, we have flexed leverage modestly in response to the economic climate, including in consideration of a putative recession and interest rate fluctuations and speculation. Most recently, we increased leverage back into the low-to-mid-teens, a reflection of our overall bullishness on the portfolio, a hopeful turn in biotechnology stocks, and the relative outlook for healthcare ahead of a potential recession. One caveat that keeps us from extending leverage even further, is the continued volatile and uncertain macro backdrop, either economic in nature or even further geopolitical risk factors.

PORTFOLIO MANAGER'S REVIEW CONTINUED

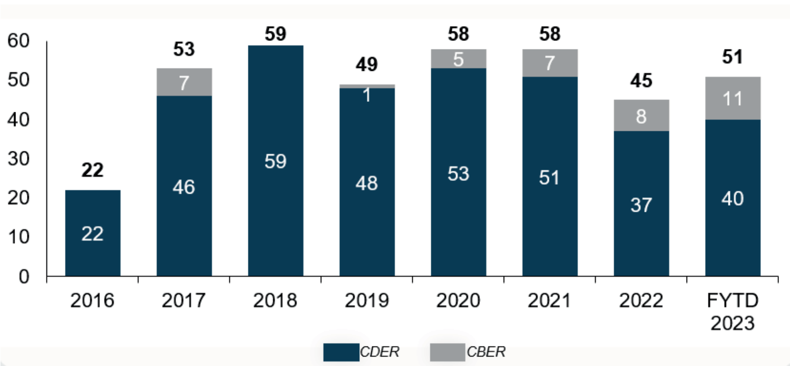
SECTOR DEVELOPMENTS

The plethora of innovation that underpins our positive investment stance in healthcare has certainly continued in 2023. Whilst not a perfect scorecard, the number of new drug approvals by the FDA in 2023 is once again at a record pace. With 51 new drug approvals through the end of September and at least another 14 novel applications with user fee deadlines by the end of the year (source: Washington Analysis), the potential to eclipse recent highs is almost a certainty in 2023.

Interestingly, the contribution of new vaccines, cell therapy, and gene therapy to the new product approvals (from the Center for Biologics Evaluation and Research – CBER) has clearly inflected over the past three plus years, representing a paradigm shift in technological advancement of novel medications and platforms. Over the past three and a half years, there have been 31 approvals compared to eight in the previous four years – yet another key metric in the accelerating innovation engine in bio-pharmaceuticals. Moreover, after a down year in 2022, the past six plus years have been the most productive in industry history, with nearly 350 new product approvals during that span.

U.S. FDA NEW DRUG APPROVALS

(Annual Approvals since 2016)



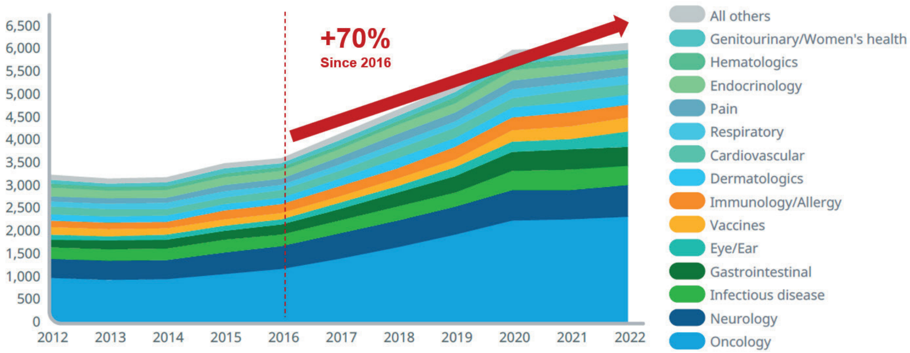
CDER – Center for Drug Evaluation and Research
CBER – Center for Biologics Evaluation and Research
Source: FDA.gov

Despite a continued – if not accelerated – innovation stemming from the biotechnology industry, valuations have lagged in historical fashion. According to the annual IQVIA audit of therapeutic company pipelines, the number of clinical assets in development has increased more than 70% since 2016 across more than15 categories. We note that these numbers exclude COVID-related programs. This has pushed the cumulative number of product pipelines in the industry to all-time highs.

PORTFOLIO MANAGER'S REVIEW CONTINUED

Pipeline Products:

Phase I to regulatory submission by therapeutic drug class, 2011-2022



(Source: IQIVIA)

Of this incredible productivity, we note that effectively two-thirds of this innovation comes from emerging biotechnology companies, which represent a core holding in the portfolio and have been a strategic investment target of ours, historically. However, in this more recent macro-driven environment, the industry has not been rewarded and valuations are so depressed, that the net return of the XBI is below June 2015 levels by 12%, compared to returns of the healthcare sector of 80%; the S&P 500 which returned 142%; and the NASDAQ which returned 189% over this same period. We expect this valuation gap to close.

INDEX RETURNS (June 2015 to Sept 2023)

XBI vs. MSCI World Healthcare/S&P 500/NASDAQ

(Source: Bloomberg)

PORTFOLIO MANAGER'S REVIEW CONTINUED

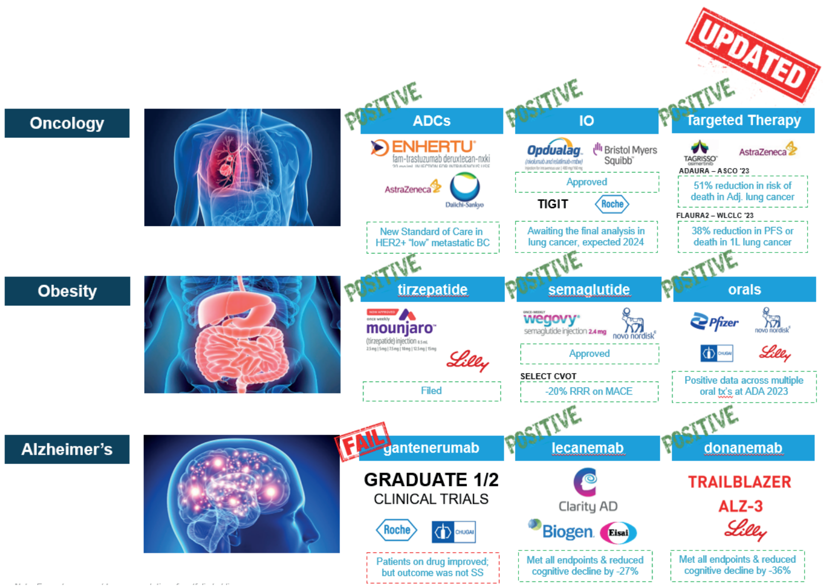
Specific examples of innovation are plentiful. In 2022, we focused on some specific development opportunities that we believed could deliver "The Next Big Thing" in healthcare, including oncology, obesity, and Alzheimer's disease. In 2023, the industry delivered.

First in oncology, the leaders in antibody drug conjugate (ADC) technology, **Daiichi-Sankyo** (and partner **AstraZeneca**), have achieved blockbuster status with Enhertu (fam-trastuzumab deruxtecan-nxki), the breast cancer drug for patients with metastatic disease who express any level of the protein called HER2+. Data for the company's latest ADC offerings, Dato-DXd and HER3-DXd, were also presented in the period and we expect regulatory filings as soon as this year.

In immuno-oncology, **Roche** (unintentionally) disclosed data for their next generation agent, tiragolumab (an anti-TIGIT agent), showing a 20% benefit on top of the standard of care in progression free survival in lung cancer patients. We are eagerly awaiting more mature data sets in this setting in 2024. **AstraZeneca** also announced two critically important data sets for their best-in-class targeted therapy Tagrisso (Osimertinib), which is used to treat lung cancer patients with a specific EGFR mutation. These data sets included usage in early stages of the disease (showed a 51% reduction in death) and in combination with chemotherapy (38% reduction in progression free survival or death) compared to simply taking Tagrisso alone. These new indications for Tagrisso will put upward pressure on sales estimates and/or aid in fending off incoming competition.

"THE NEXT BIG THING"

(Therapeutic Categories and Products with Material News in 2023)



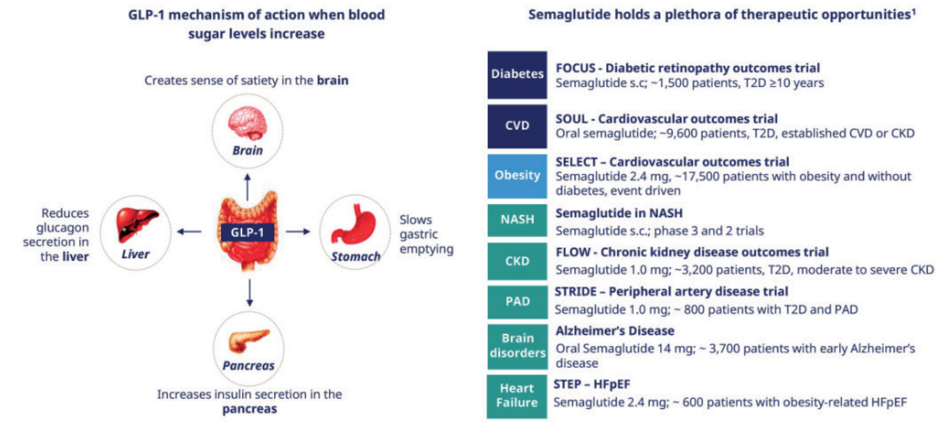
Source: Companies

PORTFOLIO MANAGER'S REVIEW CONTINUED

Without question, obesity has become the "hot" space in therapeutics in 2023. The advancement of the GLP-1 drugs beyond diabetes and into weight loss has caught the attention of investors and the public alike. In 2023, we learned of best-in-class weight loss, at more than 20%, for **Eli Lilly**'s Mounjaro (tirzepatide) in obese patients. We expect **Eli Lilly** to launch tirzepatide for obesity early in 2024. Not to be outdone, **Novo Nordisk** confirmed unprecedented cardiovascular benefit of Wegovy (semaglutide) in obese patients in a five-year landmark trial called SELECT. Competition rushing to this space has been significant, but 2023 also demonstrated the stranglehold that both **Eli Lilly** and **Novo Nordisk** have here.

The opportunity for GLP-1 drugs is immense, and it does not stop with just diabetes and weight loss. Rather, the impact of these "incretins" may have beneficial effects across multiple organs and disease states. The list of conditions and co-morbidities, for example, that **Novo Nordisk** is pursuing includes heart failure, kidney disease, sleep apnea, peripheral arterial disease, and even Alzheimer's disease. Phase III data is already presented or in-house at the company for heart failure and kidney failure. We look forward to additional data sets from both **Novo Nordisk** and **Eli Lilly** for years to come.

Semaglutide: ADDITIONAL INDICATIONS



Source: Novo Nordisk

Finally, a word on Alzheimer's disease. We have previously described this category as the "Holy Grail" of new drug development, owing to the huge unmet medical need, large global prevalence, and potential for lucrative price flexibility. Whilst now overshadowed by the obesity category, Alzheimer's disease still represents a huge opportunity with mega-blockbuster prospects, where individual medicines could reach over U.S.$10 billion per product per annum. 2023 bore witness to the first ever full FDA approval for a novel, disease modifying drug, in this case, Leqembi (lecanemab) from **Eisai** of Japan and their U.S. partner, **Biogen**. The drug launched in March 2023 and we await key sales milestone in 2024 and beyond.

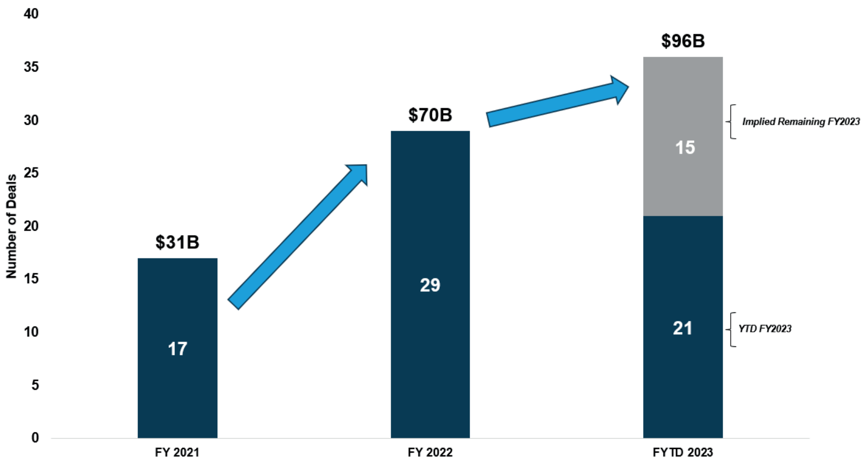
Eli Lilly was the second company to announce positive Phase III data for yet another disease modifying agent, donanemab, for Alzheimer's disease. Acting on the same target, beta-amyloid, as

PORTFOLIO MANAGER'S REVIEW CONTINUED

Leqembi, donanemab may be more efficacious at slowing cognitive decline but perhaps with some increased side effect concerns (transient brain swelling). The company expects approval before the end of 2023. We expect a meaningful launch in 2024.

Another key investment theme we have been monitoring is the pace of mergers and acquisitions in the therapeutics space, fueled by distressed biotechnology valuations, and a looming wave of drug patent expirations for the large cap pharmaceutical companies. This has created a very positive environment for deal making as high interest and a quiet initial public offering market has created some barriers to access for capital. 2023 is on pace for a record year, with 21 deals so far in the financial year, including four deals alone in the first three weeks of October. We certainly expect the number of transactions this year to eclipse the previous financial year (29) with total deal value potentially surpassing U.S.$100 billion.

M&A CONTINUED ACCELERATION



Source: FactSet (as of 23 October 2023)

A new emerging regulatory theme is a more activist Federal Trade Commission ("FTC"), which has increasingly opposed mergers & acquisitions. Within healthcare, the FTC has opposed the Amgen/Horizon Therapeutics acquisition and is reviewing the Pfizer/Seagen transaction. In some cases, the FTC is relying on novel and unproven theories, for example that a merger could hamper innovation and slow the pace of drug development. Our focus (and a key return driver) is on smaller biotechnology companies that are acquired by larger pharmaceutical companies, transactions that remain largely uncontested by the FTC. That said, in September 2023 the FTC relented and has allowed the Horizon transaction to move forward to completion. The Seagen acquisition appears to have been less acrimonious and we expect that to also conclude favourably before the end of the year.

The Inflation Reduction Act (IRA) of 2022 has further advanced in 2023, with the most recent development being the disclosure by the Centers for Medicare & Medicaid Services (CMS) its list

PORTFOLIO MANAGER'S REVIEW CONTINUED

of 10 drugs up for the first price negotiations under the IRA. The list contained a mix of expected drugs, such as Eliquis and Xarelto for cardiovascular disease, and unexpected drugs, like Jardiance, Farxiga, and Fiasp for diabetes. We conclude that it was mostly benign. The majority of drugs are facing imminent patent expirations and or generics, including Eliquis, Xarelto, Januvia, Entresto, Enbrel, Imbruvica, Farxiga, and Stelara. This blunts much of the impact that a lower Medicare price will bring to the financials of these companies. As we have postulated before, the net impact of the IRA is negative, but mostly manageable by the industry. That said, the mix of drugs listed for the first cycle of negotiation does raise some questions, including: How were they selected by CMS? How were total sales calculated? Were there any political motivations? Were new formulations protected? Some of these answers may become more transparent in 2024.

MEDICARE DRUG PRICE NEGOTIATION

Drugs Selected for the First Cycle of Negotiation

The "List of 10"			Area
1	Eliquis (apixaban) tablets	Bristol Myers Squibb / Pfizer	CV
2	Jardiance (empagliflozin) tablets	Lilly	Diabetes
3	Xarelto rivaroxaban	Johnson&Johnson	CV
4	Januvia (sitagliptin)	MERCK	Diabetes
5	farxiga (dapagliflozin)	AstraZeneca	Diabetes
6	Entresto (sacubitril/valsartan) tablets	NOVARTIS	CV
7	Enbrel etanercept	AMGEN	RA
8	imbruvica (ibrutinib)	abbvie	Oncology
9	Stelara (ustekinumab)	Johnson&Johnson	RA
10	Fiasp insulin aspart	novo nordisk	Diabetes

Source: CMS.gov

The industry is not accepting the immediate consequences of the IRA. We note that several companies have sued the Biden administration on the IRA including Bristol-Myers Squibb, Johnson

PORTFOLIO MANAGER'S REVIEW CONTINUED

& Johnson, **Merck**, **AstraZeneca**, **Novartis**, and Boehringer Ingelheim. In addition, the lobby group Pharmaceutical Research Manufactures of America and the U.S. Chamber of Commerce sued as well. We do note that Astellas withdrew their suit after their cancer drug, Xtandi, unexpectedly did not make the list.

There are a host of arguments that are being made by the industry that are questioning the constitutionality of IRA, whilst **AstraZeneca** has claimed the IRA contravenes the Orphan Drug Act. Tactically, the industry is taking a "shots on goal" approach. In other words, any judge from any district from any court in any of these cases could rule in favour of the industry on any argument. Even a SINGLE ruling against the government could halt the drug price negotiations portion of the IRA. Ultimately the Supreme Court will have the final say. We do not expect these legal proceedings to result in any near-term victory by the industry, and any potential preliminary injunction, whilst possible, would be an upside surprise. Nevertheless, this accumulation of legal proceedings allows the industry to maintain optionality to quash price negotiations anytime ahead of the 2026 enactment of the drug price negotiation clause of the IRA.

IRA 2022: THE INDUSTRY RESPONDS

Lawsuits and Arguments Being Made by Industry Players vs CMS

	Lawsuits		Arguments
1	PhRMA	1	Compelled Speech (1st Amendment)
2	U.S. Chamber of Commerce	2	Takings Clause (5th Amendment)
3	Bristol Myers Squibb	3	Excessive Fines (8th Amendment)
4	Johnson&Johnson	4	Standing Clause
5	MERCK	5	Due Process
6	AstraZeneca	6	Orphan Drug Act
7	NOVARTIS	7	Non-Delegation
8	Boehringer Ingelheim	8	Separation of Powers
9	~~astellas~~	9	Unconstitutional Condition

Source: OrbiMed

PORTFOLIO MANAGER'S REVIEW CONTINUED

OUTLOOK

Whilst the investment backdrop for healthcare has been challenging, the state of the industry is strong. The long-term growth potential of healthcare remains, underpinned by global demographics, aging populations, and constant, persistent demand. Innovation, the true hallmark of the Company, continues to advance in unparalleled fashion. Innovation is not just in the domain of biotechnology, but across therapeutics, medical technology, patient services, analytics, and platform technologies. Together, they are improving patient care, advancing medical knowledge, and creating new medicines, with many that now can offer a cure. The productivity in the therapeutics space continues to be exceptional, with pipelines the fullest they have ever been, and the number of new drug approvals at all-time highs. The inflection in M&A in the space is just one testimony to this productivity, one that we believe will continue in 2024. We look forward to what next year brings, across the entirety of the healthcare spectrum, as the growth of this industry continues to create a multitude of exciting investment opportunities.

Sven H. Borho and Trevor M. Polischuk

OrbiMed Capital LLC
Portfolio Manager
22 November 2023

CONTRIBUTION BY INVESTMENT

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

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

Top Five Contributors	Sector	Country	Contribution £'000	Contribution per share* p
Novo Nordisk	Pharmaceuticals	Denmark	27,228	4.5
Eli Lilly	Pharmaceuticals	United States	26,553	4.4
Intuitive Surgical	Health Care Equipment & Supplies	United States	19,329	3.2
Mirati Therapeutics	Biotechnology	United States	10,817	1.8
Ionis Pharmaceuticals	Biotechnology	United States	10,348	1.7

Top Five Detractors				
Bristol-Myers Squibb **	Pharmaceuticals	United States	12,246	(2.0)
UniQure	Biotechnology	Netherlands	14,545	(2.4)
Apellis Pharmaceuticals	Biotechnology	United States	14,617	(2.4)
Madrigal Pharmaceuticals	Biotechnology	United States	14,797	(2.4)
Daiichi Sankyo	Pharmaceuticals	Japan	17,996	(3.0)

* Based on 606,004,086 shares being the weighted average number in issue during the period.
** Not held at 30 September 2023.

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.

A review of the half year and the outlook for the Company can be found in the Chair of the Board's Statement beginning on page 2 and the Portfolio Manager's Review beginning on page 5. 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.
- The Company uses leverage (both through derivatives and gearing) the effect of which is to amplify the gains or losses the Company experiences.
- 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, and the risk of a global recession, are likely to adversely affect the performance of the Company's investments.

Further information on these risks is given in the Annual Report for the year ended 31 March 2023. The Board has noted that global markets are continuing to experience unusually high levels of uncertainty and heightened geopolitical risks. Against a background of rising interest rates and slowing economic growth, risks associated with leverage and illiquid assets, especially in combination, have become more elevated. The Board has investment guidelines in place to mitigate these risks.

INTERIM MANAGEMENT REPORT CONTINUED

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, the 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 12 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. As previously reported, stress testing was carried out in May 2023, 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

Doug McCutcheon

Chair
22 November 2023

INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	(Unaudited) Six months ended 30 September 2023			(Unaudited) Six months ended 30 September 2022		
	Revenue Return £'000	Capital Return £'000	Total £'000	Revenue Return £'000	Capital Return £'000	Total £'000
(Losses)/gains on investments	–	(11,111)	(11,111)	–	82,697	82,697
Foreign exchange losses	–	(6,791)	(6,791)	–	(15,052)	(15,052)
Income from investments (note 2)	12,481	–	12,481	9,295	–	9,295
AIFM, portfolio management, and performance fees (note 3)	(411)	(7,803)	(8,214)	(444)	(8,430)	(8,874)
Other expenses	(686)	–	(686)	(579)	(22)	(601)
Net return/(loss) before finance charges and taxation	**11,384**	**(25,705)**	**(14,321)**	**8,272**	**59,193**	**67,465**
Finance charges	(246)	(4,673)	(4,919)	(61)	(1,157)	(1,218)
Net return/(loss) before finance	**11,138**	**(30,378)**	**(19,240)**	**8,211**	**58,036**	**66,247**
Taxation	(1,486)	–	(1,486)	(323)	–	(323)
Net return/(loss) after taxation	**9,652**	**(30,378)**	**(20,726)**	**7,888**	**58,036**	**65,924**
Return/(loss) per share (note 4)*	**1.6p**	**(5.0)p**	**(3.4)p**	**1.2p**	**8.9p**	**10.1p**

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.

* The comparative return per share figures have been restated to reflect the ten for one share split. For weighted average purposes, the share split has been treated as happening on the first day of the accounting periods.

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	(Unaudited) Six months ended 30 September 2023 £'000	(Unaudited) Six months ended 30 September 2022 £'000
Opening shareholders' funds	2,150,721	2,268,233
Shares purchased for treasury	(133,365)	(36,086)
(Loss)/return for the period	(20,726)	65,924
Dividends paid – revenue	(14,709)	(12,721)
Closing shareholders' funds	**1,981,921**	**2,285,350**

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2023

	(Unaudited) 30 September 2023 £'000	(Audited) 31 March 2023 £'000
Fixed assets		
Investments	2,125,814	2,186,417
Derivatives – OTC swaps	5,499	209
	2,131,313	**2,186,626**
Current assets		
Debtors	16,734	4,376
Cash and cash equivalents	43,642	58,925
	60,376	**63,301**
Current liabilities		
Creditors: amounts falling due within one year	(198,497)	(72,105)
Derivative – OTC Swaps	(11,271)	(27,101)
	(209,768)	**(99,206)**
Net current liabilities	**(149,392)**	**(35,905)**
Total net assets	**1,981,921**	**2,150,721**
Capital and reserves		
Ordinary share capital – (note 5)	15,042	16,265
Capital redemption reserve	9,564	8,341
Share premium account	841,599	841,599
Capital reserve	1,097,282	1,261,025
Revenue reserve	18,434	23,491
Total shareholders' funds	**1,981,921**	**2,150,721**
Net asset value per share – (note 6)*	**339.3p**	**343.5p**

* The comparative net asset value per share figures have been restated to reflect the ten for one share split. See notes 5 and 6 for further details.

CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Note	(Unaudited) Six months ended 30 September 2023 £'000	(Unaudited) Six months ended 30 September 2022 £'000
Net cash inflow/(outflow) from operating activities	8	**5,174**	**3,678**
Purchases of investments and derivatives		(554,711)	(460,385)
Sales of investments and derivatives		560,892	580,399
Realised losses on foreign exchange		(2,218)	(14,343)
Net cash inflow/(outflow) from investing activities		**3,963**	**105,671**
Issue of shares		–	–
Shares repurchased		(133,365)	(36,086)
Equity dividends paid		(14,709)	(12,721)
Interest paid		(4,919)	(1,218)
Net cash (outflow)/inflow from financing activities		**(152,993)**	**(50,025)**
Decrease/(increase) in net debt		**(143,856)**	**59,324**

Cash flows from operating activities includes interest received of £1,885,000 (2022: £592,000) and dividends received of £10,135,000 (2022: £9,235,000).

RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN NET DEBT

	(Unaudited) Six months ended 30 September 2023 £'000	(Unaudited) Six months ended 30 September 2022 £'000
(Increase)/decrease in net debt resulting from cash flows	(143,856)	59,324
Losses on foreign currency cash and cash equivalents	(4,574)	(709)
Movement in net debt in the period	**(148,430)**	**58,615**
Net debt at 1 April	2,997	(87,003)
Net debt at 30 September	**(145,433)**	**(28,388)**

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The condensed Financial Statements for the six months to 30 September 2023 comprise the statements set out on pages 29 to 31 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 published in July 2022 ('SORP') and using the same accounting policies as set out in the Company's Annual Report and Financial Statements at 31 March 2023.

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 AT 30 SEPTEMBER 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments held at fair value through profit or loss	1,987,993	–	137,821	2,125,814
Derivatives: OTC swaps (assets)	–	5,499	–	5,499
Derivatives: OTC swaps (liabilities)	–	(11,271)	–	(11,271)
Financial instruments measured at fair value	1,987,993	(5,772)	137,821	2,120,042

AS AT 31 MARCH 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments held at fair value through profit or loss	2,041,247	–	145,170	2,186,417
Derivatives: OTC swaps (assets)	–	209	–	209
Derivatives: OTC swaps (liabilities)	–	(27,101)	–	(27,101)
Financial instruments measured at fair value	2,041,247	(26,892)	145,170	2,159,525

2. INCOME

	(Unaudited) Six months ended 30 September 2023 £'000	(Unaudited) Six months ended 30 September 2022 £'000
Investment income	10,596	8,713
Interest Income	1,885	582
Total	**12,481**	**9,295**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

3. AIFM, PORTFOLIO MANAGEMENT AND PERFORMANCE FEES

	(Unaudited) Six months ended 30 September 2023			(Unaudited) Six months ended 30 September 2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
AIFM fee	72	1,369	1,441	76	1,444	1,520
Portfolio management fee	339	6,434	6,773	368	6,986	7,354
Performance fee charge for the period	–	–	–	–	–	–
	411	**7,803**	**8,214**	**444**	**8,430**	**8,874**

As at 30 September 2023 no performance fees were accrued or payable (31 March 2023: nil accrued).

No performance fee could become payable by 30 September 2024.

See Glossary on page 39 for further information on the performance fee.

4. RETURN/(LOSS) PER SHARE

	(Unaudited) Six months ended 30 September 2023 £'000	(Unaudited) Six months ended 30 September 2022 £'000
The return per share is based on the following figures:		
Revenue return	9,652	7,888
Capital (loss)/return	(30,378)	58,036
Total return	**(20,726)**	**65,924**
Weighted average number of shares in issue for the period	606,004,086	650,534,570
Revenue return per share	1.6p	1.2p
Capital (loss)/return per share	(5.0)p	8.9p
Total (loss)/return per share	**(3.4)p**	**10.1p**

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)".

The comparative return per ordinary share figures have been restated to reflect the ten for one share split on 27 July 2023. For weighted average purposes, the share split has been treated as happening on the first day of the accounting period.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

5. SHARE CAPITAL

	Shares number	Treasury shares number	Total shares in issue number
As at 1 April 2023	62,620,763	2,438,015	65,058,778
Purchase of shares into treasury – pre-share split	(2,507,439)	2,507,439	–
Shares cancelled from Treasury	–	(4,892,258)	(4,892,258)
Issue of shares following ten for one share split	541,019,916	478,764	541,498,680
Purchase of shares into treasury – post-share split	(16,954,184)	16,954,184	–
As at 30 September 2023	**584,179,056**	**17,486,144**	**601,665,200**

	(Unaudited) 30 September 2023 £'000	(Audited) 31 March 2023 £'000
Issued and fully paid:		
Nominal value of ordinary shares of 2.5p	14,604	16,265

During the period ended 30 September 2023 the Company bought back ordinary shares into treasury at a cost of £133,365,000 (Year ended 31 March 2023: £91,514,000).

At the AGM of the Company held in July 2023, shareholders approved a resolution for a ten for one share split such that each shareholder would receive ten shares with a nominal value of 2.5 pence each for every one share held. 541,498,680 additional shares (541,019,916 to shareholders and 478,764 in relation to shares held in treasury) were created on 27 July 2023 following this approval.

6. NET ASSET VALUE PER SHARE

The net asset value per share is based on the assets attributable to equity shareholders of £1,981,921,000 (31 March 2023: £2,150,721,000) and on the number of shares in issue at the period end of 584,179,056 (31 March 2023: 626,207,630*).

* restated to reflect the ten for one share split.

7. TRANSACTION COSTS

Purchase transaction costs for the six months ended 30 September 2023 were £499,000 (six months ended 30 September 2022: £705,000).

Sales transaction costs for the six months ended 30 September 2023 were £528,000 (six months ended 30 September 2022: £592,000).

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

8. RECONCILIATION OF OPERATING RETURN TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	(Unaudited) Six months ended 30 September 2023 £'000	(Unaudited) Six months ended 30 September 2022 £'000
(Loss)/gains before finance costs and taxation	(14,321)	67,465
Add: capital loss/(less: capital gain)/before finance charges and taxation	25,705	(59,193)
Revenue return before finance charges and taxation	**11,384**	**8,272**
Expenses charged to capital	(7,803)	(8,452)
(Increase)/decrease in other debtors	(474)	525
Increase in other creditors and accruals	2,678	3,422
Net taxation suffered on investment income	(611)	19
Amortisation	–	(108)
Net cash inflow from operating activities	**5,174**	**3,678**

9. PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks facing the Company are listed in the Interim Management Report on page 28. 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 2023.

10. 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 2023 and 30 September 2022 has not been audited or reviewed by the Company's auditor.

The information for the year ended 31 March 2023 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 transposed 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 38).

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 then dividing by the net asset value per share. It 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 U.S.$10 billion.

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.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES ("APMs") CONTINUED

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 percentage 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 Equity Swaps (on page 36) for more details on how exposure through derivatives is calculated.

	As at 30 September 2023		As at 31 March 2023	
	Fair Value £'000	Exposure* £'000	Fair Value £'000	Exposure* £'000
Investments	2,125,814	2,125,814	2,186,417	2,186,417
OTC equity swaps	(5,772)	145,799	(26,892)	190,704
	2,120,042	**2,271,613**	**2,159,525**	**2,377,121**
Shareholders' funds		1,981,921		2,150,721
Leverage %		114.6%		110.5%

* Calculated in accordance with AIFMD requirements using the Commitment Method

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES ("APMs") CONTINUED

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)

NET ASSET VALUE (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 2023 (p)	Year to 31 March 2023* (p)
Opening NAV per share	343.5	346.5
Decrease in NAV per share	(4.2)	(3.0)
Closing NAV per share	**339.3**	**343.5**
% Change in NAV per share	(1.2)%	(0.9)%
Impact of reinvested dividends	0.6%	0.8%
NAV per share Total Return	**(0.6)%**	**(0.1)%**

* The comparative NAV per share figures have been restated to reflect the ten for one share split. See notes 4 to 6 for further details.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES ("APMs") CONTINUED

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 2023 £'000	One year to 31 March 2023 £'000
AIFM & Portfolio Management fees	8,214	17,534
Other Expenses	686	1,142
Total Ongoing Charges	**8,900**	**18,676**
Performance fees paid/crystallised	–	–
Total	**8,900**	**18,676**
Average net assets	2,111,076	2,247,296
Ongoing Charges (annualised)	**0.8%**	**0.8%**
Ongoing Charges (annualised, including performance fees paid or crystallised during the period)	**0.8%**	**0.8%**

PERFORMANCE FEE

Dependent on the level of long-term outperformance of the Company, a performance fee can 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 Company's Annual Report & Accounts for the year ended 31 March 2023 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 12 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.

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES ("APMs") CONTINUED

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 2023	One year to 31 March 2023*
Opening share price	311.5	327.5
Decrease in share price	(2.0)	(16.0)
Closing share price	**309.5**	**311.5**
% Change in share price	(0.6)%	(4.8)%
Impact of reinvested dividends	0.7%	0.7%
Share price Total Return	**0.1%**	**(4.1)%**

* The comparative share price figures have been restated to reflect the ten for one share split. See notes 4 to 6 for further details.

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 and does not constitute 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.ii.co.uk
IWEB	http://www.iweb-sharedealing.co.uk

HOW TO INVEST CONTINUED

LINK GROUP – SHARE DEALING SERVICE

A quick and easy share dealing service is available to existing UK, Channel Islands and Isle of Man shareholders through the Company's Registrar, Link Group, to either buy or sell shares. An online and telephone dealing facility provides an easy to access and simple to use service.

There is no need to pre-register and there are no complicated forms to fill in. The online and telephone dealing service allows you to trade 'real time' at a known price which will be given to you at the time you give your instruction.

To deal online or by telephone all you need is your surname, investor code, full postcode and your date of birth. Your investor code can be found on your dividend confirmation or share certificate. Please have the appropriate documents to hand when you log on or call, as this information will be needed before you can buy or sell shares.

For further information on this service please contact:

www.linkgroup.eu/share-deal/ (online dealing)

Telephone: 0371 664 0445 (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. Lines are open between 8.00 am – 4.30 pm, Monday to Friday excluding public holidays in England and Wales).

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
Doug McCutcheon, (Chair of the Board)

Sven Borho

Humphrey van der Klugt, FCA

Tim Livett, FCMA (Chair of the Audit & Risk Committee)

Jo Parfrey, ACA (Chair of the Management Engagement & Remuneration Committee)

Dr Bandhana (Bina) Rawal (Senior Independent Director and Chair of the Nominations Committee)

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 earlier mentioned e-mail address.

Portfolio Manager
OrbiMed Capital LLC
601 Lexington Avenue, 54th Floor
New York NY10022 USA

Telephone: +1 212 739 6400
Website: www.orbimed.com

Registered under the U.S. Securities and Exchange Commission.

Depositary
J.P. Morgan Europe Limited
25 Bank Street
London E14 5JP

Auditor
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Custodian and Prime Broker
J.P. Morgan Securities LLC
Suite 1, Metro Tech Roadway
Brooklyn, NY 11201
USA

Registrar
If you have any queries in relation to your shareholding please contact:

Link Group
Central Square
29 Wellington Street
Leeds LS1 4DL

E-mail: shareholderenquiries@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

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.

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

Solicitors
Eversheds Sutherland
1 Wood Street
London
EC2V 7WS

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

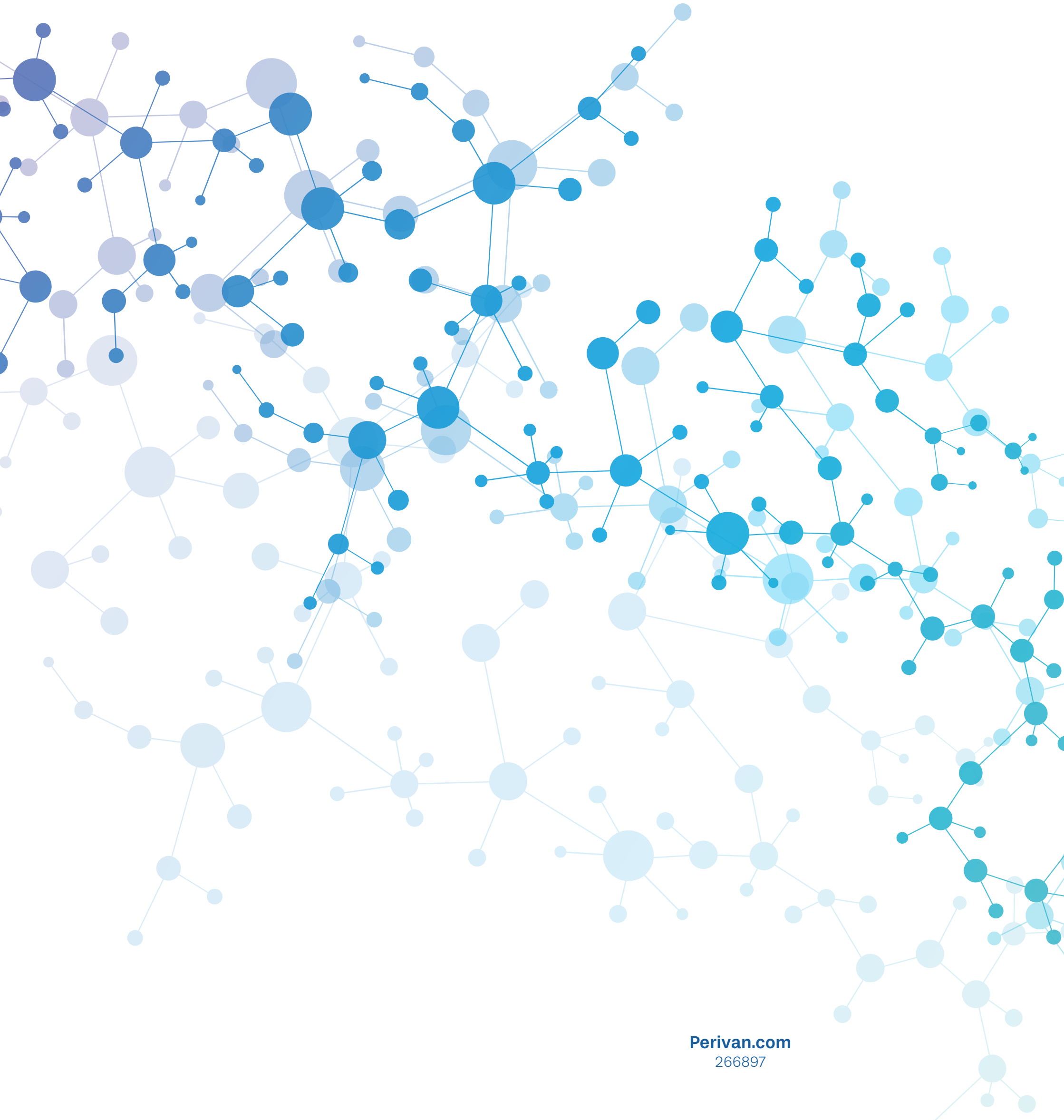
SHARE PRICE LISTINGS

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. These announcements can also be found on the Company's website at www.worldwidewh.com.

IDENTIFICATION CODES

Shares:	
SEDOL:	BN455J5
ISIN:	GB00BN455J50
BLOOMBERG:	WWH LN
EPIC:	WWH
Global Intermediary Identification Number (GIIN)	FIZWRN.99999.SL.826
Legal Entity Identifier (LEI)	5493003YBCY4W1IMJU04



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WORLDWIDE HEALTHCARE TRUST PLC

25 SOUTHAMPTON BUILDINGS
LONDON
WC2A 1AL

WWW.WORLDWIDEWH.COM

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.

aic The Association of Investment Companies

A member of the Association of Investment Companies