



Sven H. Borho

Information as at 31 March 2018

[www.worldwidewh.com](http://www.worldwidewh.com)

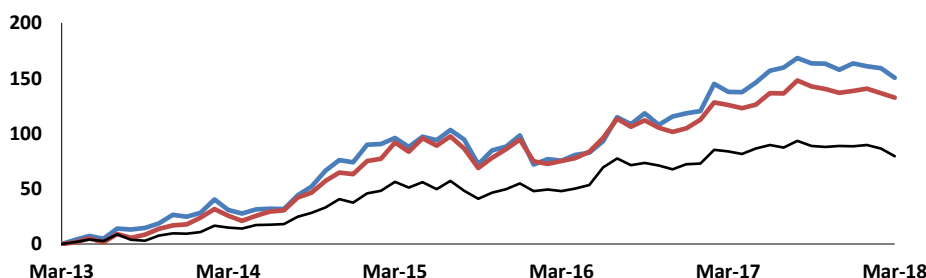
@Worldwidewh

## Investment Objective

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

## Five Year Performance (%)

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



Share Price (total return) +150.3%

Net Asset Value per share (total return) +132.3%

Benchmark: MSCI World Health Care Index (net total return; sterling adjusted) +79.5%

Source: Morningstar, Index - Bloomberg

## Commentary

In March the NAV per share was down 1.7%, the share price was down 3.4%, and the MSCI World Health Care Index was down 3.8%.

Macro factors for the most part have been driving share prices thus far in 2018 and March was no exception. The "risk off" mentality became a hallmark for investors in the month, yet healthcare has not proven very defensive whatsoever. Furthermore, there has been little evidence that investors have the appetite to buy the pullbacks. One notable exception to the market volatility in March was emerging markets. Our exposure there, collectively, was the largest positive contributor in the month. The largest alpha contributors in the month from a positioning perspective included being overweight in U.S. hospitals and underweight in both managed care and pharmaceuticals. Our overweight positioning in biotechnology stocks, in particular emerging biotech, was the largest alpha detractor.

Individual contributors in March included the Japanese pharmaceutical company, **Eisai**. Shares jumped after the company signed a lucrative collaboration with **Merck & Co** in the field of oncology. The share price in **Regeneron Pharmaceuticals** partially recovered in March after being oversold in February. Finally, shares in **Shire** spiked after it was confirmed that **Takeda Pharmaceuticals** was interested in bidding on the company.

The largest of the detractors in the month was **Alexion Pharmaceuticals**. Shares inexplicably sold off despite the company announcing positive Phase III data for their next generation drug for patients with a life-threatening (yet rare) blood disorder. The share price for **Abbvie** dropped precipitously after the company announced that they would not pursue a regulatory filing for a high profile compound known as "Rova-T" for a type of lung cancer.

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## Risk Warnings

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

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

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

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

## Biographies

**Sven H. Borho CFA**, is a founding Partner of OrbiMed. Mr. Borho is a senior member of the public equity team and he is a portfolio manager for OrbiMed's public equity and hedge funds. Mr. Borho started his career in 1991 when he joined OrbiMed's predecessor firm as a Senior Analyst covering European pharmaceutical firms and biotechnology companies worldwide. Mr. Borho studied business administration at Bayreuth University in Germany and received an M.Sc. (Econ.), Accounting and Finance, from The London School of Economics; he is a citizen of both Germany and Sweden.

## Portfolio Manager Profile

OrbiMed Capital LLC (OrbiMed) is owned by six principals, including Sven Borho who have between them many years' experience of investing in the pharmaceutical, biotechnology and healthcare sectors. The U.S. based company has over 90 investment professionals who carry out extensive research, involving company visits and developing an understanding of the commercial and scientific prospects for individual drugs. OrbiMed is registered as an investment adviser under the U.S. Securities and Exchange Commission (SEC). SEC registration does not imply a certain level of skill or training.

## Investment Policy

The Company offers a superior UK-listed opportunity for capital appreciation through a diversified portfolio of worldwide pharmaceutical, biotechnology, healthcare equipment, healthcare technology and healthcare services companies. The Portfolio Manager seeks to reduce risk through extensive fundamental research, worldwide exposure, position limits, and balanced market capitalisations. The Company's investment objective also allows gearing, through borrowing, of up to 20% of net assets and a net exposure to derivative investments (excluding swaps) of up to 5% of the portfolio. Equity swaps may also be used, counterparty exposure here is limited to 12% of the portfolio at the time of acquisition.

## (Discount) / Premium Control Mechanism

The Directors have adopted an active discount management policy to establish and support an improved rating in the Company's shares through the use of share buybacks, with a view to limiting the discount to the ex income NAV per share at which the shares trade to no more than 6%. Shares bought back may be held in treasury for reissue at later dates at not more than the discount at which they were purchased, and in any event at a discount no greater than 5% to the prevailing cum income net asset value per share. Any shares left in treasury are cancelled around the time of the AGM. In order to stop the share price trading at a significant premium to the NAV per share, the Company has the ability to issue new shares at a 0.7% premium to the cum income NAV per share.

Worldwide Healthcare Trust PLC conducts its affairs so that its shares can be recommended by independent financial advisers ("IFAs") to retail private investors. The shares are excluded from the Financial Conduct Authority's ("FCA's") restrictions which apply to non-mainstream investment products because they are shares in a UK-listed investment trust.

## 10 Largest Holdings as at 31 March 2018\*

Name	Region	Total
Alexion Pharmaceuticals	North America	4.1
Merck & Co	North America	4.0
Boston Scientific	North America	3.9
Regeneron Pharmaceuticals	North America	3.7
Novo Nordisk	Europe	3.5
Bristol-Myers Squibb	North America	3.0
Vertex Pharmaceuticals	North America	2.9
Wright Medical	Europe	2.9
Biogen	North America	2.7
Celgene	North America	2.7
<b>Total</b>		<b>33.4</b>

## Sector, Geographical\*\* & Asset Class Breakdown at 31 March 2018\*

Biotechnology	35.9	North America	64.7	Equities	87.8
Pharmaceutical	29.5	Europe	17.2	Equity Swaps	9.0
Healthcare Equipment/Supplies	15.2	Emerging Markets	11.3	Variable Interest	2.4
Healthcare Providers/Services	7.6	Asia	6.8	Options	0.8
Emerging Markets & Baskets	5.4	<b>Total</b>	<b>100.0</b>	<b>Total</b>	<b>100.0</b>
Life Sciences/Tools & Services	4.0				
Fixed & Variable Interest	2.4				
<b>Total</b>	<b>100.0</b>				

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

\*\*Geographical analysis based on country of incorporation.

Source: All portfolio information sourced from Frostrow Capital LLP.

## Discrete Performance – Calendar Years (%)

Percentage Growth	2013	2014	2015	2016	2017	YTD
NAV	44.3	38.8	19.1	5.2	16.5	-2.5
Share Price	47.1	39.6	13.9	10.1	20.7	-5.0
Benchmark	33.6	25.6	12.7	11.2	9.4	-4.8

## Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Mar 13- Mar 14	Mar 14- Mar 15	Mar 15- Mar 16	Mar 16- Mar 17	Mar 17- Mar 18
NAV	25.6	52.7	-8.7	28.9	2.8
Share Price	30.8	49.8	-10.5	35.5	5.3
Benchmark	14.9	35.9	-5.4	24.5	-2.5

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

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

## Awards

**Winner: Investment Week, Investment Company of the Year 2016, Specialist** (including Hedge Funds) Category

## Important Information

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

The Company has an indeterminate life, although shareholders consider and vote on the continuation of the Company every five years (the next such vote will be held in 2019).

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

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## Fast Facts as at 31 March 2018

<b>AIC Sector</b>	Biotechnology & Healthcare
<b>Launch Date &amp; appointment of Portfolio Manager</b>	April 1995
<b>Annual Management Fee</b> (payable by the Company): 0.65% of net assets plus 0.30% of market cap. up to £150m, in the range £150m to £500m 0.2%; in the range £500m to £1bn 0.15%; in the range £1bn to £1.5bn 0.125%; over £1.5bn 0.075% plus £57,500	
<b>Performance Fee</b>	See Annual Report for details
<b>Ongoing charges*</b>	0.9%
<b>Continuation Vote</b>	2019 AGM and every 5 <sup>th</sup> AGM thereafter
<b>Year / Half Year</b>	31 March / 30 September
<b>Capital Structure</b>	49,861,278 shares

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

## Trust Characteristics

<b>Number of Holdings</b>	91
<b>Net Assets (£m)</b>	1,202.7
<b>Market Capitalisation (£m)</b>	1,199.2
<b>Dividends</b>	Provisional payment dates: January & July
<b>Indicative Yield</b>	0.9%
<b>Gearing</b>	7.6%
<b>Leverage**</b>	Gross 117.4% Commitment 116.4%
<b>Share Price (p)</b>	2405.00
<b>NAV(p) (cum income)</b>	2412.18
<b>(Discount) / Premium</b>	(0.3%)

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

## Codes

<b>Sedol</b>	0338530
<b>ISIN</b>	GB0003385308
<b>Legal Entity Identifier (LEI)</b>	5493003YBCY4W11MJU04
<b>Global Intermediary Identification Number (GIIN)</b>	FIZWRN.99999.SL.826
<b>Bloomberg</b>	WWH LN
<b>Epic</b>	WWH

## How to Contact Us

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