

**Investment Objective**

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


**Portfolio Manager**  
 Trevor Polischuk

**Portfolio Manager**  
 Sven H. Borho

**OrbiMed**  
 Healthcare Fund Management

**Fast Facts** As at 30 September 2021

**AIC Sector** Biotechnology & Healthcare

**Launch Date & appointment of Portfolio Manager** April 1995

**Annual Management Fee** (payable by the Company): 0.65% of net assets plus 0.30% of market cap. up to £150m; in the range £150m to £500m 0.2%; in the range £500m to £1bn 0.15%; in the range £1bn to £1.5bn 0.125%; over £1.5bn 0.075% plus £57,500.

**Performance Fee** See Annual Report for details

**Ongoing Charges Ratio (OCR)\*** 0.9%

**Continuation Vote** 2024 AGM and every 5<sup>th</sup> AGM thereafter

**Year / Half Year** 31 March / 30 September

**Capital Structure** 65,432,755 shares

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

**Trust Characteristics**
**Number of Holdings** 91

**Net Assets (£m)** 2,421.5

**Market Capitalisation (£m)** 2,371.9

**Dividends** Provisional payment dates: January & July

**Indicative Yield** 0.6%

**Gearing** 6.6%

**Leverage\*\*** Gross 117.9%  
 Commitment 114.7%

**Share Price (p)** 3625.00

**NAV per share (p) (cum income)** 3700.72

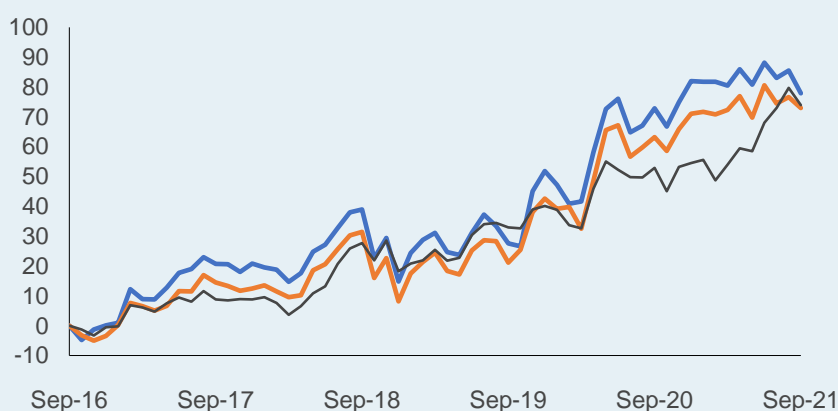
**(Discount) / Premium** (2.1%)

**Portfolio Turnover p.a.** 75.9%

**Active Share\*\*\*** 74.9%

**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) +77.9%  
 — Net Asset Value per share (total return) +72.9%  
 — Benchmark: MSCI World Health Care Index (net total return; sterling adjusted) +74.0%

Source: Morningstar, Index - Bloomberg.

**Ten Largest Holdings as at 30 September 2021**

Name	Region	Sector	Total
Merck & Co	North America	Pharmaceuticals	5.1
Bristol-Myers Squibb	North America	Pharmaceuticals	5.0
AstraZeneca	Europe	Pharmaceuticals	4.7
Boston Scientific	North America	Health Care Equipment & Supplies	4.2
Horizon Therapeutics	North America	Biotechnology	3.9
Mirati Therapeutics	North America	Biotechnology	3.5
AbbVie	North America	Pharmaceuticals	3.1
SPDR S&P Biotech ETF	North America	Biotechnology	3.0
UnitedHealth	North America	Health Care Providers & Service	2.8
Natera	North America	Life Sciences Tools & Services	2.6
<b>Total</b>			<b>37.9</b>

**Sector, Region\*\* & Asset Class\*\*\* Breakdown at 30 September 2021\* (%)**

Biotechnology	33.1	North America	73.9	Equities	86.5
Pharmaceutical	23.9	Emerging Markets	17.1	Unquoteds	7.2
Healthcare Equipment / Supplies	18.3	Europe	8.7	Equity Swaps	6.3
Healthcare Providers / Services	16.1	Developed Asia	0.3	<b>Total</b>	<b>100.0</b>
Life Sciences Tools & Services	7.3	<b>Total</b>	<b>100.0</b>		
Health Care Technology	1.0				
Fixed / Variable Interest	0.3				
<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 primary listing.

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

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

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

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

**Codes**

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

**Discrete Performance – Calendar Years (%)**

Percentage Growth 12 Month Return	2016	2017	2018	2019	2020	YTD
NAV	5.2	16.5	-3.8	31.9	20.0	1.1
Share Price	10.1	20.7	-5.0	32.3	19.9	-2.3
Index	11.2	9.4	8.8	18.4	10.3	12.6

**Standardised Discrete Performance (%)**

Percentage Growth 12 Month Return	Sep 16-Sep 17	Sep 17-Sep 18	Sep 18-Sep 19	Sep 19-Sep 20	Sep 20-Sep 21
NAV	14.5	14.8	-7.8	34.7	5.9
Share Price	20.7	15.1	-8.2	35.6	2.9
Index	8.8	17.3	4.2	15.0	13.8

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

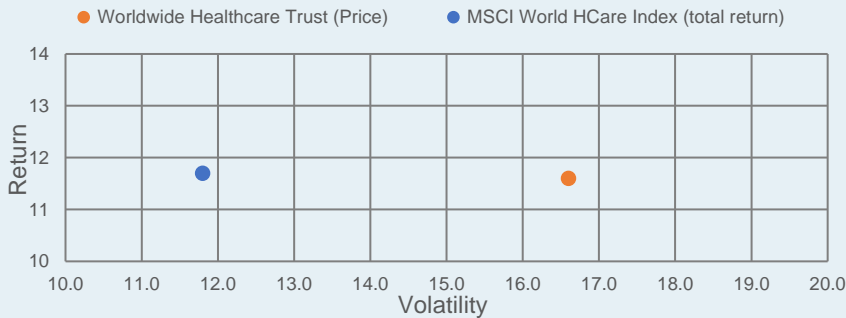
**Investment Policy**

The Company offers a superior UK-listed opportunity for capital appreciation through a diversified portfolio of worldwide pharmaceutical, biotechnology, healthcare equipment, 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 policy allows gearing, through borrowing, of up to 20% of net assets and a net exposure to derivative investments (excluding swaps) of up to 5% of the portfolio. Equity swaps may also be used, counterparty exposure here is limited to 12% of the portfolio at the time of acquisition. Unquoted securities will not exceed 10% of the portfolio at the time of acquisition.

**Discount / Premium Control Mechanism**

The Directors have adopted an active discount management policy through the use of share buybacks, with a view to limiting the discount to the 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 a premium to the prevailing cum income net asset value per share. Any shares left in treasury are cancelled around the time of the AGM. In order to help prevent the share

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



price trading at a significant premium to the NAV per share, the Company has the ability to issue new shares at a 0.7% premium to the cum income NAV per share.

**How to Contact Us**

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**Commentary**

In September, the NAV per share was down 2.1%, the share price was down 4.1% and the MSCI World Health Care Index down 3.2%, on a net total return, sterling adjusted basis.

Broad markets were lower in September, with the S&P 500 logging its first decline since January of this year and its worst month since September 2020. A number of factors contributed to the negative performance, including seasonality (September historically has the worst returns of the year), investor concerns about U.S. Federal Reserve Board tapering, the rapid uptick in Treasury yields, ongoing COVID-19 Delta-variant spread, and continued China concerns.

Despite the negative absolute return, outperformance was achieved broadly with all subsectors contributing to relative performance versus the Benchmark, most notably large cap pharmaceuticals. The lone exception was Emerging Markets, where investor sentiment continues to be wary due to misplaced concerns over putative government intervention into the healthcare industry.

The top contributor in September was AstraZeneca. The company, along with its partner Daiichi Sankyo. (another Top 15 contributor), presented practice-changing data for their already approved breast cancer drug, Enhertu (trastuzumab deruxtecan). Both stocks rose as a result. Another important contributor was Mirati Therapeutics. The company reported encouraging data for their novel pipeline asset, adagrasib, a targeted therapy (against KRAS) for the treatment of specific colorectal and lung cancers. Another contributor of import was Horizon Therapeutics, another example of innovation driving value in the biopharmaceuticals space. Share price momentum from their quarterly earnings report in August and their first ever R&D day in September helped push the share price to all-time highs.

The largest detractors in the month were Bristol-Myers Squibb and Abbvie. The share prices for both companies came under pressure after the U.S. FDA announced ongoing safety concerns over the “JAK” class of immunology drugs. This may potentially impact a key marketed product for Abbvie (Rinvoq) and a critical pipeline asset for Bristol-Myers Squibb (deucravacitinib). Share price declines were exacerbated by a broad large cap pharma sell-off of nearly 6% in September.

Looking ahead, an inflection for M&A in biopharmaceuticals may occur into year-end after Merck’s aggressive (and large) acquisition of Acceleron Pharma. for over \$11 billion was announced in September. Other sector news flow in the final quarter of the calendar year may include more headlines on U.S. drug price reform, a new commissioner for the U.S. FDA, another earnings season, and additional clinical data catalysts.

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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.

### **Important Information**

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

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

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

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