

### Investment Objective

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



**Portfolio Manager**  
Trevor Polischuk

**Portfolio Manager**  
Sven H. Borho



**OrbiMed**  
Healthcare Fund Management

### Fast Facts

As at 31 October 2022

**AIC Sector** Biotechnology & Healthcare

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

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

**Performance Fee** See Annual Report for details

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

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

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

**Capital Structure** 64,159,092 shares#  
899,686 (treasury)

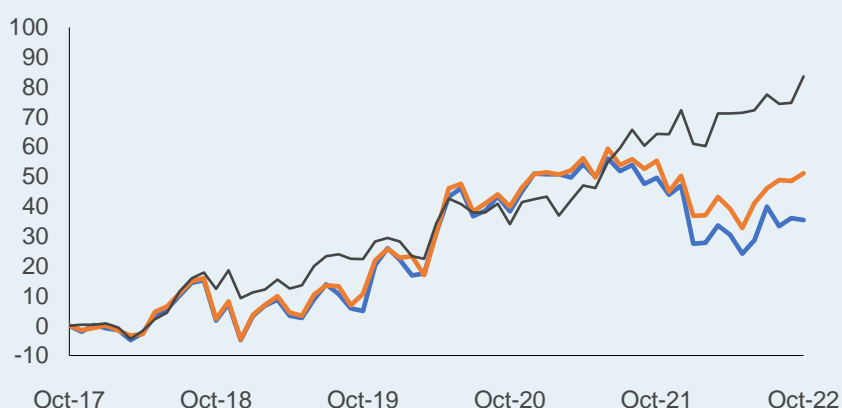
\*Calculated at the financial year end, includes management fees and all other operating expenses, and excludes performance fees.

### Trust Characteristics

<b>Number of Holdings</b>	69
<b>Net Assets (£m)</b>	2,331.9
<b>Market Capitalisation (£m)</b>	2,117.3
<b>Dividends</b>	Provisional payment dates: January & July
<b>Indicative Yield</b>	0.8%
<b>Gearing</b>	3.2%
<b>Leverage**</b>	Gross 110.3% Commitment 106.3%
<b>Share Price (p)</b>	3300.00
<b>NAV per share (p) (cum income)</b>	3634.49
<b>(Discount) / Premium</b>	(9.2%)
<b>Portfolio Turnover p.a.</b>	75.9%
<b>Active Share***</b>	68.5%

### 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.



— Net Asset Value per share (total return) +51.0%  
— Share Price (total return) +35.4%  
— Benchmark: MSCI World Health Care Index (net total return; sterling adjusted) +84.2%

Source: Morningstar, Index - Bloomberg.

### Ten Largest Holdings as at 31 October 2022

Name	Region	Sector	Total
Bristol-Myers Squibb	North America	Pharmaceuticals	5.9
AstraZeneca	Europe	Pharmaceuticals	5.8
Humana	North America	Health Care Providers & Services	5.2
Healthcare M&A Target Swap	North America	Swap Baskets	4.6
UnitedHealth	North America	Health Care Providers & Services	4.4
Boston Scientific	North America	Health Care Equipment & Supplies	4.3
Intuitive Surgical	North America	Health Care Equipment & Supplies	3.9
BioMarin Pharmaceutical	North America	Biotechnology	3.3
Pfizer	North America	Pharmaceuticals	3.2
Sanofi	Europe	Pharmaceuticals	3.1
<b>Total</b>			<b>43.7</b>

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

Pharmaceutical	28.6	North America	68.9	Listed Equities	85.7
Healthcare Providers / Services	19.9	Europe	12.7	Equity Swaps	7.6
Healthcare Equipment / Supplies	19.0	China / Hong Kong	11.5	Unquoted	6.7
Biotechnology	18.9	Japan	4.5	<b>Total</b>	<b>100.0</b>
Life Sciences Tools & Services	9.0	India	2.4		
Swap Baskets	4.6	<b>Total</b>	<b>100.0</b>		
<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.

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

Percentage Growth 12 Month Return	2017	2018	2019	2020	2021	YTD
NAV	16.5	-3.8	31.9	20.0	-0.4	0.5
Share Price	20.7	-5.0	32.3	19.9	-2.6	-7.9
Index	9.4	8.8	18.4	10.3	20.8	7.0

**Standardised Discrete Performance (%)**

Percentage Growth 12 Month Return	Oct 17- Oct 18	Oct 18- Oct 19	Oct 19- Oct 20	Oct 19- Oct 21	Oct 21- Oct 22
NAV	2.3	8.2	26.4	11.0	-2.7
Share Price	1.7	3.2	31.8	8.1	-9.5
Index	12.5	8.8	9.4	23.0	11.9

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.

\*\* 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.

# excludes shares held in treasury

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

**Investment Policy**

The healthcare sector is global and accessing this market as a UK investor can be difficult. The Company offers an opportunity to gain exposure to pharmaceutical, biotechnology and related companies in the healthcare sector on a global scale. The Company invests in large companies with market capitalisations of over U.S.\$10bn, smaller companies below that size, as well as unquoted companies. The portfolio ranges from large multi-national pharmaceutical companies with multiple products to unquoted emerging biotechnology companies. The Company's investment policy allows gearing, through borrowing, of up to 20% of net assets and a net exposure to derivative investments (excluding swaps) of up to 5% of the portfolio. Equity swaps may also be used, counterparty exposure here is limited to 12% of the portfolio at the time of acquisition. Unquoted securities will not exceed 10% of the portfolio at the time of acquisition.

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



**Commentary**

In October, the NAV per share total return was +1.7%, the share price total return was -0.5% and the MSCI World Health Care Index was +5.2%, on a net total return, sterling adjusted basis.

Equity markets recovered some ground in October after several months of declines and after an especially turbulent September. This despite a backdrop of mixed economic data and continued interest rate hikes in the US and Eurozone. In the UK, markets were more volatile given the political activity there but reacted positively to Rishi Sunak being appointed leader of the Conservative Party and, by extension, becoming the country's new prime minister. We note that Chinese stocks mostly declined in the month as there were no signs of a let-up on the domestic zero-tolerance COVID policies.

Healthcare equity returns were positive in October predominantly, driven by large cap stocks (biotechnology, pharmaceuticals, healthcare services, and medical technology). A common theme throughout the contributors in the month was a positive reaction to third quarter earnings reports.

For example, three of the top five contributors in October were large cap medical device stocks, including Intuitive Surgical, Boston Scientific, and Stryker. Each company posted solid double-digit organic growth in the reported period. Likewise, two large cap pharmaceutical companies, Bristol-Myers Squibb and Sanofi, reported better than expected revenues and earnings in the quarter and were top contributors. Finally, two large cap services companies, Humana and UnitedHealth, both traded higher after the latter reported a strong quarter.

However, performance in October did lag the benchmark. Reasons for this were multi-fold. First, our exposure to large cap biotech and pharmaceutical stocks is well below benchmark levels (by approximately 20%). Second, our strategic overweight in small cap biotechnology stocks did not participate in this month's rally (the XBI ETF was up only +0.5% in sterling). Third, Chinese stocks were down appreciably in the month (the Hang Seng Healthcare Index was down 3.8% in sterling). Cumulatively, these three factors reduced performance more than 300 basis points versus the benchmark.

Looking ahead, we continue to expect an elevated level of M&A in the biopharma space. There were numerous transactions in October, including Sumitomo Pharma for Myovant Sciences (for \$1.7 billion), LG Chem for Aveo Oncology (for \$566 million), Eli Lilly for Akouos (\$487 million), and AstraZeneca for LogicBio Therapeutics (660% premium).

**Discount / Premium Control Mechanism**

The Directors have adopted an active discount management policy through the use of share buybacks, with a view to limiting the discount to the cum income NAV per share at which the shares trade to no more than 6%. It should be noted, however, that it remains possible for the share price discount to the cum income NAV per share to be greater than 6% on any day. Shares bought back may be held in treasury for reissue at later dates at a premium to the prevailing cum income net asset value per share. Any shares left in treasury are cancelled around the time of the AGM. In order to help prevent the share price trading at a significant premium to the NAV per share, the Company has the ability to issue new shares at a 0.7% premium to the cum income NAV per share.

**How to Contact Us**

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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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