

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 November 2022

AIC Sector Biotechnology & Healthcare

Launch Date & appointment of Portfolio Manager April 1995

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

Performance Fee See Annual Report for details

Ongoing Charges Ratio (OCR)* 0.9%

Continuation Vote 2024 AGM and every 5th AGM thereafter

Year / Half Year 31 March / 30 September

Capital Structure 64,142,634 shares
916,144 (treasury)

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

Trust Characteristics

Number of Holdings	65
Net Assets (£m)	2,328.3
Market Capitalisation (£m)	2,116.7
Dividends	Provisional payment dates: January & July
Indicative Yield	0.8%
Gearing	2.9%
Leverage**	Gross 115.4% Commitment 111.6%
Share Price (p)	3300.00
NAV per share (p) (cum income)	3629.85
(Discount) / Premium	(9.1%)
Portfolio Turnover p.a.	62.7%
Active Share***	67.4%

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) +53.4%
 — Share Price (total return) +38.6%
 — Benchmark: MSCI World Health Care Index (net total return; sterling adjusted) +85.9%

Source: Morningstar, Index - Bloomberg.

Ten Largest Holdings as at 30 November 2022

Name	Region	Sector	Total
AstraZeneca	Europe	Pharmaceuticals	6.0
Bristol-Myers Squibb	North America	Pharmaceuticals	5.7
UnitedHealth	North America	Health Care Providers & Services	5.6
Humana	North America	Health Care Providers & Services	4.7
Sanofi	Europe	Pharmaceuticals	4.5
Healthcare M&A Target Swap	North America	Swap Baskets	4.4
Intuitive Surgical	North America	Health Care Equipment & Supplies	4.4
Roche	Europe	Pharmaceuticals	4.3
Boston Scientific	North America	Health Care Equipment & Supplies	4.1
Stryker	North America	Health Care Equipment & Supplies	3.2
Total			46.9

Sector, Region** & Asset Class*** Breakdown at 30 November 2022* (%)

Pharmaceutical	31.1	North America	65.5	Listed Equities	86.9
Healthcare Providers / Services	19.9	Europe	17.7	Equity Swaps	7.2
Biotechnology	19.1	China / Hong Kong	9.9	Unquoteds	5.9
Healthcare Equipment / Supplies	17.4	Japan	4.9	Total	100.0
Life Sciences Tools & Services	8.1	India	2.0		
Swap Baskets	4.4	Total	100.0		
Total	100.0				

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

**Geographical analysis based on country of primary listing.

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

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

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	0.6
Share Price	20.7	-5.0	32.3	19.9	-2.6	-7.7
Index	9.4	8.8	18.4	10.3	20.8	8.5

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Nov 17- Nov 18	Nov 18- Nov 19	Nov 19- Nov 20	Nov 20- Nov 21	Nov 21- Nov 22
NAV	9.8	12.7	20.1	-1.0	4.3
Share Price	9.6	12.1	20.6	-0.8	-5.7
Index	18.0	8.1	10.3	15.8	14.1

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 November, the NAV per share total return was +0.1%, the share price total return was +0.2% and the MSCI World Health Care Index was +1.4%, on a net total return, sterling adjusted basis.

Equity markets recovered additional ground in November after partially rebounding in October. Investor optimism percolated in the month that inflation may have already peaked and that interest rate rises may ebb. Share price increases across the US and Eurozone were similar, with UK equities performing better, amid signs that the UK economy may be holding up better than expected. Healthcare equity returns were positive in November, but mostly lagged the broader markets.

Top contributors in November came from a variety of sources. The rebound in Mirati Therapeutics share price continued in November, in anticipation of new data disclosures and approval in December of their novel oncology asset, adagrasib, for the treatment of specific forms of lung cancer. Shares in AstraZeneca rebounded after the company reported a solid third quarter result that was ahead of expectations and full-year guidance that was increased. Also of note was the rise for BioMarin Pharmaceuticals. The biotechnology company confirmed that the FDA will not require an advisory committee meeting to review the company’s application for their novel gene therapy technology for the treatment of hemophilia, a positive sign for the ultimate approval of this life-changing therapy.

The main detractor of note in November was Shanghai Bio-Heart Biological Technology. The China-based medical technology company is a leader in interventional cardiovascular devices. The company has enjoyed enormous success since the IPO in late 2021. However, the stock inexplicably sold off in November on no obvious news, falling more than 60% (local currency). We speculate that some profit taking took place ahead of an important data disclosure for the company’s novel renal denervation device for uncontrolled hypertension, expected early in 2023. Some investors may have sold ahead of the lock-up expiration in December for private investors.

Looking ahead, we expect the robust M&A environment that we have witnessed in the second half of 2022 to continue into 2023, albeit perhaps with a holiday pause. Overall, investor sentiment on a putative recession will largely dictate equity markets and the relative performance of healthcare stocks within that framework. We do note that during previous historical recessionary periods, healthcare stocks have outperformed, most notably therapeutic stocks. The set-up in 2023 appears positive for healthcare given this macro backdrop, current fund flow momentum into healthcare, continued M&A, and valuations that look reasonable (and still distressed in biotechnology).

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

Frostrow Capital LLP
25 Southampton Buildings
London, WC2A 1AL

Tel.: 0203 008 4910
Fax: 0203 043 8889

Website: www.frostrow.com
Email: info@frostrow.com



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.

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").

The MSCI information (relating to the Benchmark) may only be used for your internal use, may not be reproduced or disseminated 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).