

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 December 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 63

Net Assets (£m) 2,238.3

Market Capitalisation (£m) 2,068.6

Dividends Provisional payment dates: January & July

Indicative Yield 0.8%

Gearing 1.4%

Leverage** Gross 114.3%
 Commitment 110.3%

Share Price (p) 3225.00

NAV per share (p) (cum income) 3489.63

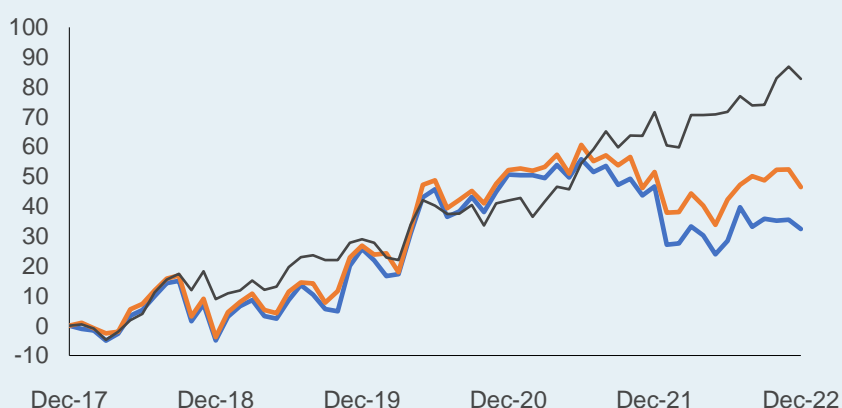
(Discount) / Premium (7.6%)

Portfolio Turnover p.a. 62.4%

Active Share*** 66.6%

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) +46.4%
— Share Price (total return) +32.4%
— Benchmark: MSCI World Health Care Index (net total return; sterling adjusted) +81.7%

Source: Morningstar, Index - Bloomberg.

Ten Largest Holdings as at 31 December 2022

Name	Region	Sector	Total
AstraZeneca	Europe	Pharmaceuticals	6.3
UnitedHealth	North America	Health Care Providers & Services	5.7
Bristol-Myers Squibb	North America	Pharmaceuticals	5.3
Sanofi	Europe	Pharmaceuticals	5.0
Humana	North America	Health Care Providers & Services	4.6
Intuitive Surgical	North America	Health Care Equipment & Supplies	4.5
Healthcare M&A Target Swap	North America	Swap Baskets	4.4
Boston Scientific	North America	Health Care Equipment & Supplies	4.4
Roche	Europe	Pharmaceuticals	4.4
Stryker	North America	Health Care Equipment & Supplies	3.5
Total			48.1

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

Pharmaceutical	31.6	North America	64.5	Listed Equities	86.6
Healthcare Providers / Services	20.2	Europe	18.8	Equity Swaps	7.3
Biotechnology	18.2	China / Hong Kong	9.7	Unquoted	6.1
Healthcare Equipment / Supplies	17.2	Japan	5.0	Total	100.0
Life Sciences Tools & Services	8.4	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	2018	2019	2020	2021	2022
NAV	-3.8	31.9	20.0	-0.4	-3.3
Share Price	-5.0	32.3	19.9	-2.6	-9.8
Index	8.8	18.4	10.3	20.8	5.8

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Dec 17- Dec 18	Dec 18- Dec 19	Dec 19- Dec 20	Dec 20- Dec 21	Dec 21- Dec 22
NAV	-3.8	31.9	20.0	-0.4	-3.3
Share Price	-5.0	32.3	19.9	-2.6	-9.8
Index	8.8	18.4	10.3	20.8	5.8

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 December, the NAV per share total return was -3.9%, the share price total return was -2.3% and the MSCI World Health Care Index was -2.5%, on a net total return, sterling adjusted basis.

Whilst healthcare stocks outperformed the broader markets in the month, both experienced declines. Overall, equity markets sold off heavily in December to cap off a mostly forgettable calendar year for investors. The MSCI fell approximately -5.5% in the month (sterling), ending the year with the worst performance since 2008.

The Company's performance was below that of the Benchmark primarily due to one stock that detracted approximately 1.6% from performance. California-based emerging biotechnology company, Mirati Therapeutics fell nearly 60% in the month, after the company announced highly anticipated – albeit preliminary – data for their KRAS inhibitor, adagrasib, in the frontline treatment of metastatic lung cancer. Safety data was strong, but investors were concerned that the efficacy data was below expectations. Despite this announcement and given share price volatility for Mirati over the past year, we await a mature dataset, including survival data, to make a more meaningful comparison to the standard of care. Otherwise, the performance for the Company was modestly above the Benchmark, with only minor deviations of less than ±25 basis points across individual sub-sectors.

Contributors of note came from large cap pharmaceutical stocks. First, shares in Sanofi moved higher after a Florida judge dismissed, on summary judgement, the multi-district litigation on Zantac product liability, ruling in favor of Sanofi (and other named pharmaceutical companies), adamantly dismissing the plaintiff's expert testimony. Second, the share price for Novo Nordisk also moved materially higher in the month after the company confirmed the end of supply disruptions and the re-launch of their highly sought-after obesity medication, Wegovy (semaglutide).

Looking ahead, we expect a reacceleration of the M&A activity we witnessed in the second half of 2022 that paused over the holiday break. In fact, there was a flurry of deals announced ahead of the JP Morgan Healthcare Conference that took place earlier in January. With the broad markets starting 2023 on a down note, this suggests investor angst over a looming difficult economic period (at worst) and or an overall lack of conviction on macro direction (at best).

We 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).