

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 January 2023

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 64,028,309 # shares
 1,030,469 (treasury)

Trust Characteristics
Number of Holdings 62

Net Assets (£m) 2,223.3

Market Capitalisation (£m) 2,007.3

Dividends Provisional payment dates: January & July

Indicative Yield 0.8%

Gearing 3.4%

Leverage** Gross 115.8%
 Commitment 112.2%

Share Price (p) 3135.00

NAV per share (p) (cum income) 3472.41

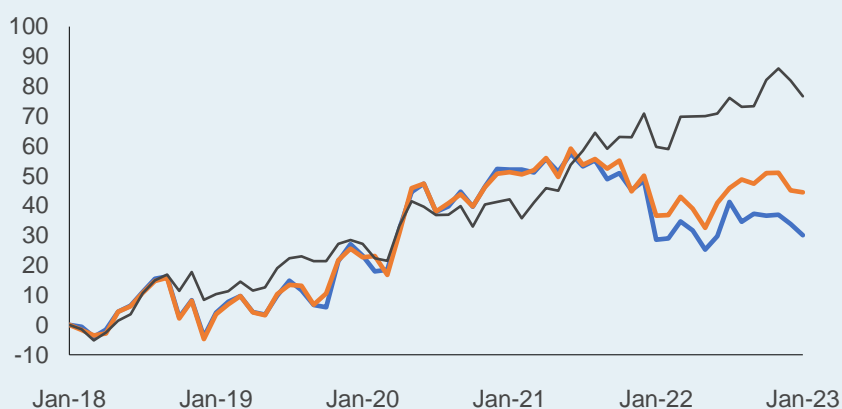
(Discount) / Premium (9.7%)

Portfolio Turnover p.a. 62.4%

Active Share*** 69.1%

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) +44.4%
— Share Price (total return) +30.1%
— Benchmark: MSCI World Health Care Index (net total return; sterling adjusted) +75.9%

Source: Morningstar, Index - Bloomberg.

Ten Largest Holdings as at 31 January 2023

Name	Region	Sector	Total
AstraZeneca	Europe	Pharmaceuticals	5.7
UnitedHealth	North America	Health Care Providers & Services	5.2
Bristol-Myers Squibb	North America	Pharmaceuticals	5.2
Sanofi	Europe	Pharmaceuticals	4.9
Healthcare M&A Target Swap	North America	Swap Baskets	4.4
Humana	North America	Health Care Providers & Services	4.4
Boston Scientific	North America	Health Care Equipment & Supplies	4.3
Roche	Europe	Pharmaceuticals	4.2
Intuitive Surgical	North America	Health Care Equipment & Supplies	4.0
BioMarin Pharmaceutical	North America	Biotechnology	3.6
Total			45.9

Sector, Region & Asset Class*** Breakdown at 31 January 2023* (%)**

Pharmaceutical	29.9	North America	63.1	Listed Equities	86.4
Biotechnology	20.3	Europe	18.4	Equity Swaps	7.6
Healthcare Providers / Services	19.6	China / Hong Kong	10.6	Unquoteds	6.0
Healthcare Equipment / Supplies	16.2	Japan	6.0	Total	100.0
Life Sciences Tools & Services	9.2	India	1.9		
Swap Baskets	4.8	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	YTD
NAV	-3.8	31.9	20.0	-0.4	-3.3	-0.5
Share Price	-5.0	32.3	19.9	-2.6	-9.8	-2.8
Index	8.8	18.4	10.3	20.8	5.8	-2.5

Standardised Discrete Performance (%)

Percentage Growth 12 Month Return	Jan 18-Jan 19	Jan 19-Jan 20	Jan 20-Jan 21	Jan 21-Jan 22	Jan 22-Jan 23
NAV	3.5	18.4	23.3	-9.7	5.7
Share Price	4.1	18.4	23.5	-15.5	1.2
Index	10.3	14.9	12.0	12.0	10.6

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

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

** 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)	5493003YBCY4W11MJU04
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 January, the NAV per share total return was -0.5%, the share price total return was -2.8% and the MSCI World Health Care Index was -2.5%, on a net total return, sterling adjusted basis.

The beginning of 2023 for the equity markets continued a variation of a theme that has been all too common for the past two years – macro-dominated trading dynamics. Healthcare stocks were clear laggards in January as investors pivoted from fears of a looming recession to the view that a softer landing may be more likely given decelerating inflation, a stronger European outlook, and the swift re-opening in China. Defensive healthcare sectors – like large cap pharma and managed care – therefore saw investor outflows in January and the result was stark underperformance of the Benchmark (by 750 basis points) versus the MSCI World Index.

The Company's relative performance versus the Benchmark benefitted from this macro-backdrop as "risk-on" sectors did well, like biotechnology and China – both strategic overweights within the portfolio – and the largest absolute contributors in the month. The largest contributor to relative performance in January came from allocation and stock picking within large cap pharmaceuticals, given our strategic underweight positioning there and thus much of subsequent broad sell-off in those names was avoided.

Notably, however, large cap pharmaceuticals were the largest absolute detractor in the month given the material (albeit under) weighting in the portfolio. On a relative basis, positioning in Japan pharmaceuticals created the largest headwind given our overweight allocation and the broad sell-off of pharmaceutical stocks in the period.

On an individual basis, the largest single stock contributor in January was BioMarin, the California-based biotechnology company and leader in rare disease treatments. A solid quarterly report, better than expected guidance, positive pipeline updates, multiple broker upgrades, continued biotech M&A, and a positive macro environment pushed the shares higher. The largest single detractor was the managed care company, UnitedHealth. In addition to the difficult macro backdrop, the share price sold off ahead of looming regulatory Medicare updates expected in the coming weeks.

Looking ahead, we were pleased to see the resumption of M&A in January after a predictable holiday hiatus in December. With drug pricing reform in the U.S. complete and entering a year with no U.S. federal elections of note, we look forward to investors refocusing on industry fundamentals. With many important catalysts ahead, we anticipate parts of the sector to re-rate given the plethora of innovation and the undemanding valuations that currently accompany them.

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.

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Risk Warnings

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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").

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