

**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 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)\*** 0.8%

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

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

**Capital Structure** 564,648,382 shares#  
 37,016,818 (treasury)

# excludes shares held in treasury

**Trust Characteristics**
**Number of Holdings** 61

**Net Assets (£m)** 1,961.9

**Market Capitalisation (£m)** 1,756.1

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

**Indicative Yield** 1.0%

**Gearing** 1.5%

**Leverage\*\*** Gross 113.3%  
 Commitment 110.7%

**Share Price (p)** 311.00

**NAV per share (p) (cum income)** 347.45

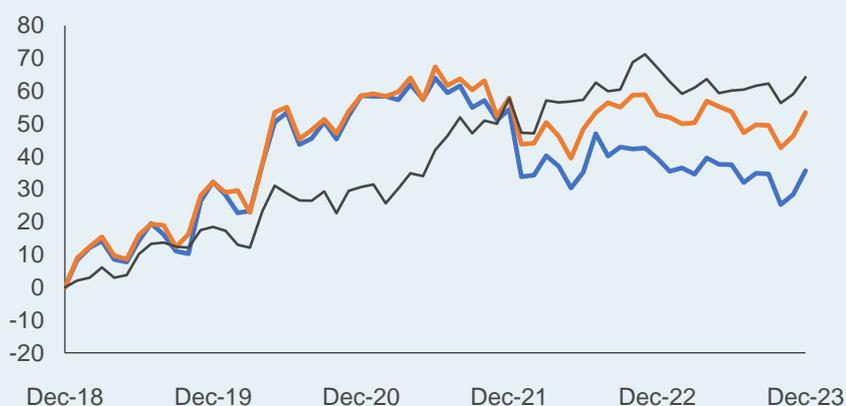
**(Discount) / Premium** (10.5%)

**Portfolio Turnover p.a.** 61.6%

**Active Share\*\*\*** 64.6%

**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) +53.0%  
— Share Price (total return) +35.7%  
— Benchmark: MSCI World Health Care Index (net total return; sterling adjusted) +64.3%

Source: Morningstar, Index - Bloomberg.

**Ten Largest Holdings as at 31 December 2023**

Name	Region	Sector	Total
Healthcare M&A Target Swap	North America	Swap Baskets	7.2
Eli Lilly	North America	Pharmaceuticals	6.6
Novo Nordisk	Europe	Pharmaceuticals	5.7
AstraZeneca	Europe	Pharmaceuticals	5.5
Boston Scientific	North America	Health Care Equipment & Supplies	5.4
Intuitive Surgical	North America	Health Care Equipment & Supplies	4.8
Biogen	North America	Biotechnology	4.4
Merck	North America	Pharmaceuticals	3.4
BioMarin Pharmaceutical	North America	Biotechnology	3.4
Daiichi Sankyo	Japan	Pharmaceuticals	3.1
<b>Total</b>			<b>49.5</b>

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

Pharmaceutical	30.5	North America	68.2	Listed Equities	84.6
Biotechnology	21.7	Europe	16.5	Equity Swaps	9.3
Healthcare Equipment / Supplies	16.0	China / Hong Kong	8.9	Unquoted	6.1
Healthcare Providers / Services	14.6	Japan	5.5	<b>Total</b>	<b>100.0</b>
Life Sciences Tools & Services	9.0	India	0.9		
Swap Baskets	8.2	<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	2019	2020	2021	2022	2023
NAV	31.9	20.0	-0.4	-3.3	0.4
Share Price	32.3	19.9	-2.6	-9.8	-2.6
Index	18.4	10.3	20.8	5.8	-1.6

**Standardised Discrete Performance (%)**

Percentage Growth 12 Month Return	Dec 18- Dec 19	Dec 19- Dec 20	Dec 20- Dec 21	Dec 21- Dec 22	Dec 22- Dec 23
NAV	31.9	20.0	-0.4	-3.3	0.4
Share Price	32.3	19.9	-2.6	-9.8	-2.6
Index	18.4	10.3	20.8	5.8	-1.6

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.

\*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.

**Codes**

<b>Sedol</b>	BN455J5
<b>ISIN</b>	GB00BN455J50
<b>Legal Entity Identifier (LEI)</b>	5493003YBCY4W11MJU04
<b>Global Intermediary Identification Number (GIIN)</b>	FIZWRN.99999.SL.826
<b>Bloomberg</b>	WWH LN
<b>EPIC</b>	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 (Annualised since Launch Date & appointment of Portfolio Manager) – Chart (%)**



**Commentary**

In December, the NAV per share total return was +4.9%, the share price total return was +5.6% and the MSCI World Health Care Index was +3.3%, on a net total return, sterling adjusted basis.

In December, global equity markets continued their rally into the year-end, a positive inflection that began in earnest in November. The market rally was broad based, with almost all sectors and geographies participating (with one notable exception – discussed below). Of particular note were small cap stocks; the Russell 2000 returned over 12% in the month (local currency) as risk assets surged. Key drivers included lower inflation helped by ongoing economic resilience, continued positive outlook towards steady or lower interest rates and composed markets despite some persistent geopolitical unease.

The Company’s performance in December was more about positioning than specific fundamental news flow. All sub-sectors (save for one) were positive contributors to absolute performance in the month. The largest contribution – both absolute and relative – came from Biotechnology stocks. Our overweight positioning in Biotech benefited from the strong “risk on” tailwind that was a key hallmark of December, contributing 2.5% and 2.0% to both absolute and relative performance, respectively.

An important contribution also came from Large Cap Pharmaceuticals, fueled by rebounds in AstraZeneca and Merck (partially offset by our underweight positioning in the sector) and Healthcare Services, fueled by a large move in Evolent Health.

The main detractor in the month was exposure to chinese healthcare, the one notable exception where we witnessed a broad sell off of nearly 8% in the Hang Seng Healthcare Index (in sterling terms), as investors continued to eschew China amidst concerns over the health of that economy.

We remain very bullish to start the calendar year 2024. Biotechnology stocks are finally benefitting en masse from an M&A boom that has now surpassed 18 months and shows little signs of slowing. The sector is moving as broad market headwinds (such as interest rates) are ebbing, being replaced by a more favorable “risk on” tailwind. Pharmaceutical companies are also benefiting from “inorganically” improved pipelines and there is a catalyst rich path ahead.

**DISCOUNT/PREMIUM CONTROL**

It is the Board’s policy to buy back the Company’s shares if the share price discount to the net asset value per share exceeds 6% on an ongoing basis. Shares repurchased are held as treasury shares. Treasury shares can be sold back to the market at a later date at a premium to the cum income net asset value per share. Shareholders should note, however, that it remains very possible for the discount to be greater than 6% for extended periods of time particularly when sentiment towards the Company, the sector and to investment trusts generally remains poor. Any shares left in treasury are cancelled around the time of the Company’s Annual General Meeting.

While buy backs may prove unable to prevent the discount from widening, they also enhance the net asset value per share for remaining shareholders and go some way to dampening discount volatility which can adversely affect investors’ risk adjusted returns.

At times when there are unsatisfied buying orders for the Company’s shares in the market, the Company has the ability to issue new shares or to re-issue treasury shares at a small premium to the cum income net asset value per share. This acts as an effective share price premium management tool.

**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.

### **Target Market**

The Company is suitable for investors seeking an investment that aims to deliver total returns over the longer term (at least five years), is compatible with the needs for retail clients, professional clients and eligible counterparties, and is eligible for all distribution channels.

The Company may not be suitable for investors who are concerned about short-term volatility and performance, have low or no risk tolerance or are looking for capital protection, who are seeking a guaranteed or regular income, or a predictable return profile. The Company does not offer capital protection.

### **Value Assessment**

Frostrow Capital LLP has conducted an annual Value Assessment on the Company in line with Financial Conduct Authority (FCA) rules set out in the Consumer Duty regulation. The Assessment focuses on the nature of the product, including benefits received and its quality, limitations that are part of the product, expected total costs to clients and target market considerations.

Within this, the assessment considers quality of services, performance of the Company (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company), and also considers whether vulnerable consumers are able to receive fair value from the product.

Frostrow Capital LLP concluded that the Company is providing value based on the above assessment.

### **Important Information**

Worldwide Healthcare Company 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 Company. 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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