# Worldwide Healthcare Trust

## Business as usual under new lead manager

Investment trusts

**Worldwide Healthcare Trust (WWH) is managed by OrbiMed Capital, a leading specialist healthcare investment company. Since December 2017, following the departure of Sam Isaly, its lead manager is Sven Borho, who is a founding partner of OrbiMed and has been involved with the management of WWH since the trust's launch in April 1995. Borho is bullish on the outlook for the global healthcare sector due to continued innovation, a benign regulatory environment, an expected acceleration in mergers and acquisitions, and inexpensive company valuations. WWH has a positive long-term performance track record. Its NAV and share price total returns have exceeded the MSCI World Health Care index total returns over one, three, five and 10 years.**

| 12 months ending | Share price (%) | NAV (%) | MSCI World Health Care (%) | DS World Pharm and Biotech (%) | FTSE All-Share (%) |
|---|---|---|---|---|---|
| 28/02/14 | 47.1 | 39.8 | 23.5 | 24.4 | 13.3 |
| 28/02/15 | 35.8 | 34.6 | 27.7 | 24.9 | 5.6 |
| 29/02/16 | (7.3) | (2.9) | 1.1 | (0.9) | (7.3) |
| 28/02/17 | 38.6 | 32.3 | 24.6 | 21.4 | 22.8 |
| 28/02/18 | 5.8 | 3.7 | 1.5 | 0.5 | 4.4 |

Source: Thomson Datastream. Note: All % on a total return basis in GBP.

## Investment strategy: Bottom-up stock selection

Borho and the well-resourced investment team at OrbiMed undertake thorough fundamental research to construct a portfolio of healthcare stocks that is diversified by geography, subsector and size. There is a range of inputs to the research process, including clinical and regulatory events, doctor surveys and meeting company managements. Reflecting the dominance of the US in the global healthcare industry, around two-thirds of WWH's portfolio is made up of holdings in American companies. Gearing is regularly employed in the trust; up to 20% of NAV is permitted and at end-February 2018, net gearing was 8.5%.

## Market outlook: Potential for increased M&A

In our view, fundamentals within the global healthcare industry are favourable due to product innovation and a supportive regulatory backdrop. Healthcare company valuations are attractive versus their historical averages, and there is potential for increased mergers and acquisitions (M&A) following the recent US tax reforms, which could lead to a positive re-rating of the healthcare sector.

## Valuation: Discount has narrowed

WWH's share price discount to cum-income NAV has narrowed meaningfully from 13.0% at end-June 2016 following the UK's European referendum, and in recent months the trust has been trading close to NAV. Over the last 12 months, WWH has traded at an average premium of 0.3%, which compares to the average discounts over the last three, five and 10 years of 3.3%, 3.4% and 5.7% respectively. While WWH aims to generate long-term capital growth, rather than income, the trust pays dividends regularly twice a year; its current yield is 0.9%.

**26 March 2018**

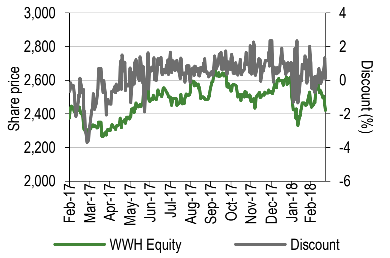
| | |
|---|---|
| **Price** | **2,420.0p** |
| **Market cap** | **£1,207m** |
| **AUM** | **£1,269m** |

| | |
|---|---|
| NAV* | 2,406.2p |
| Premium to NAV | 0.6% |
| NAV** | 2,417.5p |
| Premium to NAV | 0.1% |

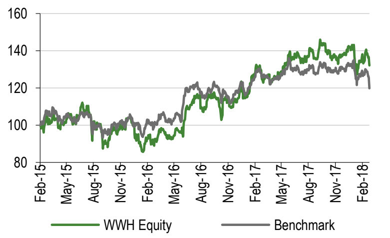
*Excluding income. **Including income. As at 22 March 2018.

| | |
|---|---|
| Yield | 0.9% |
| Ordinary shares in issue | 49.9m |
| Code | WWH |
| Primary exchange | LSE |
| AIC sector | Specialist: Biotech & Healthcare |
| Benchmark | MSCI World Health Care |

### Share price/discount performance




### Three-year performance vs index




| | | |
|---|---|---|
| 52-week high/low | 2,679.0p | 2,265.0p |
| NAV** high/low | 2,640.8p | 2,268.2p |

**Including income.

### Gearing

| | |
|---|---|
| Gross* | 18.4% |
| Net* | 8.5% |

*As at 28 February 2018.

### Analysts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Edison profile page


***Worldwide Healthcare Trust is a research client of Edison Investment Research Limited***

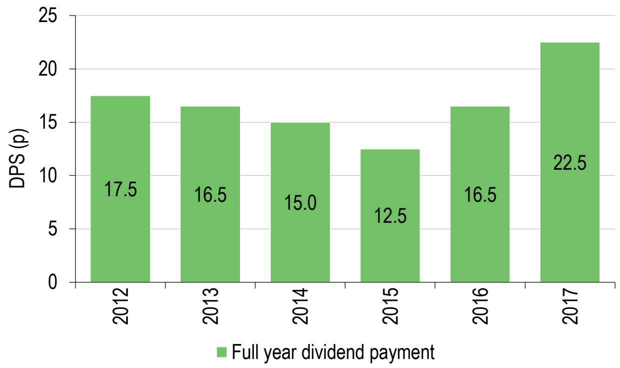
## Exhibit 1: Trust at a glance

| Investment objective and fund background | Recent developments |
|---|---|
| Worldwide Healthcare Trust's investment objective is to invest worldwide in pharmaceutical, biotechnology and related securities in the healthcare sector to achieve a high level of capital growth. Gearing and derivative transactions are used to mitigate risk and enhance capital returns. In 2010 the mandate was broadened to include healthcare equipment and services and healthcare technology. | ■ 12 January 2018: Sam Isaly retired from WWH's board.<br>■ 8 December 2017: Announcement that former manager Sam Isaly is to step down from OrbiMed and retire from WWH's board.<br>■ 23 November 2017: Six-month results to 30 September 2017. NAV TR +7.4% versus benchmark TR +2.6%, share price TR +10.8%.<br>■ 15 November 2017: Announcement of first interim dividend of 6.5p per share.<br>■ 14 June 2017: 12-month results to 31 March 2017. NAV TR +28.9% versus benchmark TR +24.5%, share price TR +35.5%. |

| Forthcoming | | Capital structure | | Fund details | |
|---|---|---|---|---|---|
| AGM | September 2018 | Ongoing charges | 0.9% | Group | Frostrow Capital LLP |
| Final results | June 2018 | Net gearing | 8.5% | Manager | OrbiMed Capital LLC (Sven Borho) |
| Year end | 31 March | Annual mgmt fee | See page 7 | Address | 25 Southampton Buildings, London, WC2A 1AL, UK |
| Dividend paid | January, July | Performance fee | See page 7 | | |
| Launch date | April 1995 | Trust life | Indefinite | Phone | +44 (0)20 3008 4910 |
| Continuation vote | Five-yearly, next in 2019 | Loan facilities | Up to 20% of net assets | Website | www.worldwidewh.com |

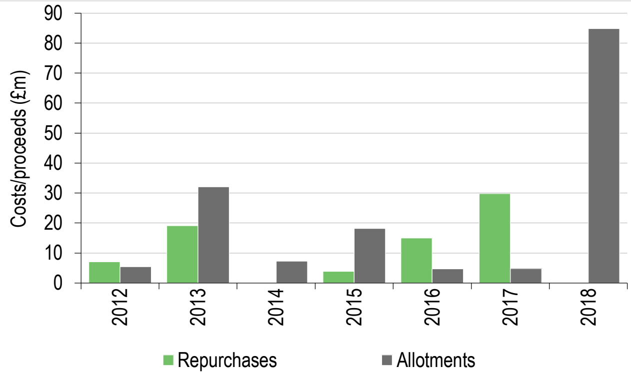
**Dividend policy and history (financial years)**

In line with the requirement for investment trusts to pay out 85% of their income net of expenses, two interim dividends a year are paid in January and July.

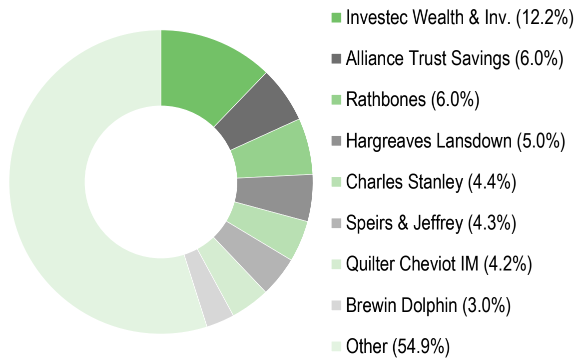



**Share buyback policy and history (financial years)**

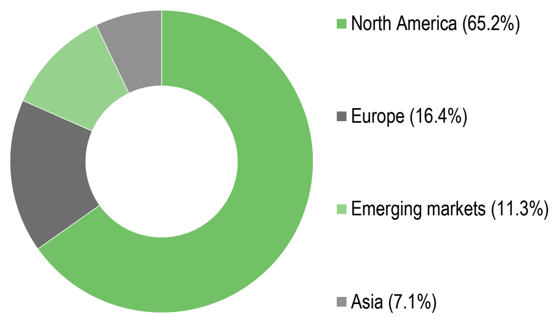
The trust has authority to purchase up to 14.99% and allot up to 10% of issued share capital. Allotments in the chart include exercise of subscription shares.




**Shareholder base (as at 28 February 2018)**




**Portfolio exposure by geography (as at 28 February 2018)**




**Top 10 holdings (as at 28 February 2018)**

| | | | Portfolio weight % | |
|---|---|---|---|---|
| **Company** | **Region** | **Sector** | **28 February 2018** | **28 February 2017*** |
| Merck | North America | Pharmaceuticals | 4.0 | 4.5 |
| Boston Scientific | North America | Healthcare equipment | 3.9 | 4.2 |
| Novo Nordisk | Europe | Pharmaceuticals | 3.7 | N/A |
| Alexion Pharmaceuticals | North America | Pharmaceuticals | 3.4 | 3.8 |
| Bristol-Myers Squibb | North America | Pharmaceuticals | 3.2 | N/A |
| Wright Medical Group | Europe | Healthcare equipment | 2.9 | 4.6 |
| Vertex Pharmaceuticals | North America | Biotechnology | 2.9 | N/A |
| Biogen | North America | Biotechnology | 2.9 | 3.4 |
| Regeneron Pharmaceuticals | North America | Pharmaceuticals | 2.9 | N/A |
| Celgene | North America | Biotechnology | 2.6 | N/A |
| **Top 10** | | | **32.4** | **36.3** |

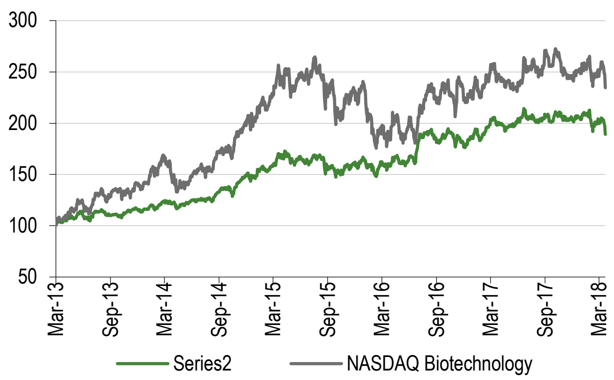
Source: Worldwide Healthcare Trust, Edison Investment Research, Bloomberg, Morningstar. Note: *N/A where not in February 2017 top 10.

## Market outlook: Positive industry fundamentals

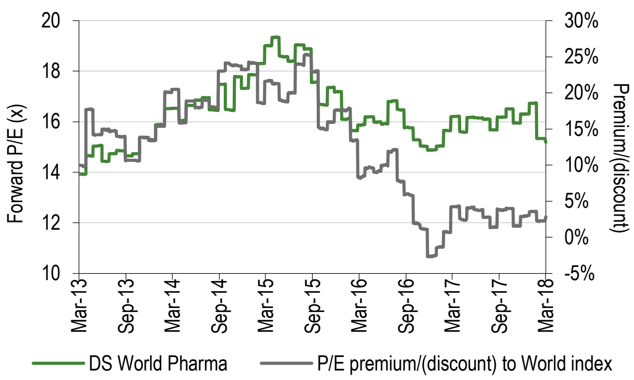
The performance of global healthcare stocks and the NASDAQ Biotech index over the last five years is shown in Exhibit 2 (LHS). Returns have been strong over the period, particularly for biotech stocks, although their performance has been more volatile than for healthcare stocks in general. The global healthcare industry is dominated by the US, which is home to the majority of the world's largest pharmaceutical and biotech stocks. The outlook for the healthcare sector for the coming year is positive due to continued product innovation, a benign regulatory environment, reasonable company valuations versus history, and an anticipated acceleration in M&A following US tax reform, which includes a reduction in corporate tax rates and a lower tax burden on the repatriation of overseas assets. Investors seeking exposure to the global healthcare industry may be interested in a well-established, diversified fund with a strong long-term performance track record.

**Exhibit 2: Market performance and valuation**

**NASDAQ Biotech and MSCI World Health Care index total returns in £**




**Absolute and relative forward P/E multiple for DS World Pharma index**




Source: Thomson Datastream, Edison Investment Research. Note: Valuation data as at 23 March 2018.

## Fund profile: Global healthcare investment

WWH was launched in April 1995 and is managed by OrbiMed, a leading global specialist investment company with more than $14bn of assets under management. It invests across geographies, capitalisation size and clinical stages and has a longer than 20-year track record investing in both public and private equity. OrbiMed has more than 80 investment professionals undertaking proprietary research, many of whom have PhDs and/or are former founders or CEOs of healthcare companies. Sven Borho, WWH's lead manager since December 2017, following the departure of Sam Isaly, is a founding partner and leads the six-strong senior management team at OrbiMed, whose members have an average tenure at the company of more than 15 years. Borho works closely with Trevor Polischuk, who is subsector head of OrbiMed's global pharmaceuticals team, and the rest of the investment professionals, aiming to generate long-term capital growth from a diversified global portfolio of healthcare stocks. Since 1 October 2010, WWH has been benchmarked against the MSCI World Health Care index. There are investment limits in place, including a maximum 15% of the portfolio in a single stock, at the time of acquisition. Normally at least 60% will be invested in larger-cap companies (>$5bn) and at least 20% will be in companies with a market cap below $5bn. A maximum 10% in unquoted securities is permitted, and up to 5% may be invested in each of debt instruments, convertibles and royalty bonds issued by pharmaceutical and biotechnology companies. At the time of acquisition, a maximum of 20% may be invested in each of the following sectors: healthcare equipment and supplies; healthcare technology; and healthcare providers and services. Derivatives may be used to enhance returns and manage risk. WWH does not hedge its foreign currency exposure. Gearing of up to 20% of NAV is permitted; at end-February 2018, net gearing was 8.5%.

## The fund manager: Sven Borho and team

### The manager's view: Optimistic outlook for 2018

We met with Borho's colleague Polischuk, who is very optimistic on the outlook for healthcare stocks in 2018. He says that American politics can have a big impact on share prices, as witnessed in the run-up to the November 2016 presidential election, when there was a lot of discussion surrounding US drug pricing. 2017 witnessed a change, with healthcare stocks trading on fundamentals rather than on political concerns; the manager expects this environment to continue throughout 2018. He views the clarity on US tax reform as a positive, suggesting that benefits will accrue to large-cap pharmaceutical and biotech companies in particular, both from lower corporate tax rates and a reduction in the tax paid on repatriated overseas assets. Overseas cash balances could be used for share repurchases, dividend increases and M&A. So far this year there have been a number of deals announced, such as Celgene's $9.0bn bid for Juno Pharmaceuticals, at a 130% premium, and Sanofi's $11.4bn acquisition of Bioverativ, at a 64% premium. The manager expects the level of industry M&A activity to increase in 2018, partly as a result of US tax reform, which could lead to a re-rating of the healthcare sector, where large-cap biotech stocks in particular are looking cheap versus history. He believes there is high demand for emerging biotech companies with mid- to late-stage product pipelines, but he would also not rule out the possibility of mega-mergers within the pharmaceutical and biotech sectors, citing the potential for Pfizer to bid for Bristol-Myers Squibb to bolster its immuno-oncology product offering.

Polischuk also points to continued innovation as a potential driver of higher industry valuations. He says it has been proven time and again that the positive cycle of drug launches and commercial uptake is an important catalyst, and can lead to higher healthcare company valuations as an inflexion in a company's sales and earnings generally leads to an inflexion in its share price.

The manager is also encouraged by the healthcare regulatory backdrop. In the US, the Food and Drug Administration (FDA) is headed up by Scott Gottlieb, who is ensuring that the time and cost of bringing new drugs to market is reduced. The FDA's evaluation tools have been modernised and there is an increasing number of generic drug approvals, which is helping to keep drug prices under control. In 2017, there were 46 new molecular entities approved, which is second only to the 1996 record of 53, and generic drug approvals also hit a record of 1,027 during the year. Polischuk is not expecting any imminent legislative changes following President Trump's failure to repeal/replace the Affordable Care Act (Obamacare) in 2017. He views this as a positive environment as it removes a level of uncertainty, allowing investors to focus on company fundamentals and have more confidence in the potential for positive returns from the healthcare sector.

Each year, in early June in Chicago, the American Society of Clinical Oncology (ASCO) holds a major conference. The manager expects there to be a host of new readouts across different oncology treatments, which could lead to M&A announcements. There are a number of companies developing immuno-oncology drugs for lung cancer. Merck has already had its Keytruda product approved and there is the possibility that AstraZeneca, Bristol-Myers Squibb or Roche could announce data at the ASCO conference regarding the frontline treatment of lung cancer.

## Asset allocation

### Investment process: Bottom-up stock selection

WWH aims to generate long-term growth from a diversified portfolio of global healthcare stocks. OrbiMed's investment approach is very collaborative. A key part of the process is a public equity portfolio review (PEPR), which is undertaken five times a week and has been in place since 2009. The senior members of WWH's investment team discuss the entire portfolio and assess buy, sell and trading ideas, following diligent proprietary fundamental research by all the investment professionals. Research inputs include analysis of clinical and regulatory events, doctor surveys and key opinion leader consultations. Meeting company managements is a key part of the investment process. WWH adopts a catalyst-driven strategy to try to understand the events that will drive stock prices, such as clinical data, drug approvals and product launches.

Within the largest sector of the portfolio, large-cap pharma, WWH's holdings generally fall into three 'buckets': innovation plays, growth stocks and contrarian ideas. Innovation stocks include Chugai Pharmaceuticals and Novo Nordisk, growth stocks include AbbVie and Eli Lilly, while contrarian ideas include Merck, which is generally considered as expensive and having a poor product pipeline, but which OrbiMed believes is underappreciated, and Takeda. The investment team likes the company's cost-cutting initiatives, which are unusual in Japan, and it is moving from a Japanese to a largely foreign senior management team, aiming to become a major global pharmaceutical company.

## Current portfolio positioning

At end-February 2018, WWH's top 10 positions made up 32.4% of the portfolio, which was a modest decrease in concentration from 36.3% at end-February 2017; five positions were common to both periods. There have only been small changes in geographic exposure over the last 12 months; the trust continues to be dominated by North America (c 65%), which is the largest global healthcare market by quite some margin, and a notable feature of WHH is its above 10% exposure to emerging markets. As shown in Exhibit 3, WWH offers broad exposure to the global healthcare sector. Looking at the largest changes by subsector, over 12 months to end-January 2018, the trust has higher exposure to emerging biotech, with reduced exposure to healthcare services. Investments are made on a bottom-up basis, without reference to the benchmark. It is interesting to note the trust's meaningful underweight exposure to large-cap pharma, as the manager is finding more exciting investment opportunities elsewhere, such as in emerging biotech and emerging markets, which have very low representation in the index.

**Exhibit 3: Portfolio sector exposure vs benchmark (% unless stated)***

| | Portfolio end-January 2018 | Portfolio end-January 2017 | Difference (pp) | Index weight end-January 2018 | Difference (pp) |
|---|---|---|---|---|---|
| Large-cap pharma | 17.6 | 15.3 | 2.4 | 41.7 | (24.1) |
| Specialty pharma/generics | 10.5 | 10.6 | (0.1) | 7.0 | 3.5 |
| Large-cap biotech | 14.1 | 16.2 | (2.1) | 9.9 | 4.2 |
| Emerging biotech | 19.0 | 13.6 | 5.4 | 2.4 | 16.6 |
| Medtech/devices | 15.8 | 15.0 | 0.8 | 16.7 | (0.9) |
| Emerging markets | 11.6 | 13.9 | (2.3) | 0.1 | 11.5 |
| Healthcare services | 7.1 | 11.5 | (4.4) | 15.1 | (8.0) |
| Life science tools | 4.3 | 4.0 | 0.3 | 7.1 | (2.8) |
| | **100.0** | **100.0** | | **100.0** | |

Source: Worldwide Healthcare Trust, Edison Investment Research. Note: *Rebased to exclude gearing and structured finance.

Danish pharmaceutical company Novo Nordisk is one of WWH's largest positions. It has launched a new injectable drug for type II diabetes (semaglutide). Although diabetes is a crowded class, Polischuk says that this drug sets a new bar in terms of efficacy, including weight loss and a reduction in blood sugar levels. Novo Nordisk has also developed an oral formulation of semaglutide, which the manager believes could be 2-3x more powerful than existing diabetes oral formulations; he regards this as a sea change in the treatment of the disease.

A relatively recent addition to the portfolio is Chugai Pharmaceutical. It is benefiting from the US approval of Hemlibra, which it is developing with Roche. This is a novel antibody for the prophylaxis and treatment of bleeding in haemophilia patients. The manager says that the drug is innovative in terms of both efficacy and safety. A European launch is expected later in 2018.

Recent disposals within WWH's portfolio include Incyte and Roche. Incyte is due to present late-stage data at the ASCO conference. The manager and his team undertook proprietary research to model Incyte's melanoma combination trial, and are cautious on the outcome.

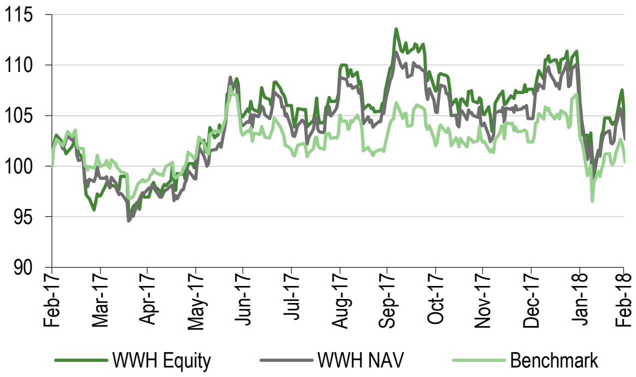
Roche is one of the pioneers in novel oncology treatments. It has three big incumbent franchises: Avastin, Herceptin and Rituxan, which the manager says are facing biosimilar competition in the next couple of years, putting pressure on Roche's growth profile.

## Performance: Long-term record of outperformance

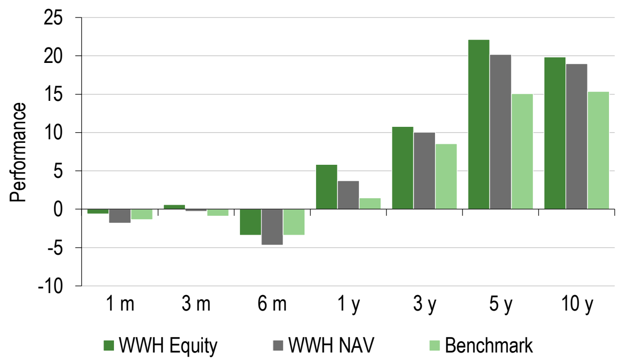
Since fund inception in April 1995 to end-January 2018, WWH's NAV total return of 2,926.5% is considerably ahead of the MSCI World Health Care index total return of 1,215.9% (source: OrbiMed). The manager highlights recent significant contributors to the trust's performance. These include BeiGene, a China-based biotech company in a collaboration with major US biotech company, Celgene. BeiGene enjoyed a significant positive revaluation during 2017. Intuitive Surgical has outperformed the broader healthcare sector over the last 12 months; it is continuing to roll out new robots and next-generation platforms, allowing additional procedures to be undertaken. Novo Nordisk is benefiting from new product developments in its diabetes franchise; its stock performed strongly in 2017, following a period of weakness the previous year due to product pricing concerns. Recent detractors to performance include some of the large-cap biotech stocks, either due to stock-specific weakness following disappointing product or pipeline newsflow, or general concerns about a perceived upcoming patent cliff within the subsector.

**Exhibit 4: Investment trust performance to 28 February 2018**

**Price, NAV and benchmark total return performance, one-year rebased**




**Price, NAV and benchmark total return performance (%)**




Source: Thomson Datastream, Edison Investment Research. Note: Three-, five- and 10-year performance figures annualised. Benchmark is DS World Pharma & Biotech index until 30 September 2010 and MSCI World Health Care index thereafter.

**Exhibit 5: Share price and NAV total return performance, relative to indices (%)**

| | One month | Three months | Six months | One year | Three years | Five years | 10 years |
|---|---|---|---|---|---|---|---|
| Price relative to MSCI World Health Care | 0.8 | 1.5 | 0.0 | 4.3 | 6.4 | 34.7 | 58.3 |
| NAV relative to MSCI World Health Care | (0.4) | 0.6 | (1.3) | 2.2 | 4.2 | 24.4 | 46.9 |
| Price relative to World-DS Pharm & Bio | 0.6 | 0.7 | 0.1 | 5.3 | 12.5 | 44.6 | 57.9 |
| NAV relative to World-DS Pharm & Bio | (0.6) | (0.2) | (1.3) | 3.2 | 10.2 | 33.5 | 46.6 |
| Price relative to FTSE All-Share | 2.8 | 1.2 | (2.6) | 1.4 | 14.5 | 91.2 | 221.7 |
| NAV relative to FTSE All-Share | 1.5 | 0.3 | (3.9) | (0.6) | 12.1 | 76.5 | 198.7 |

Source: Thomson Datastream, Edison Investment Research. Note: Data to end-February 2018. Geometric calculation.

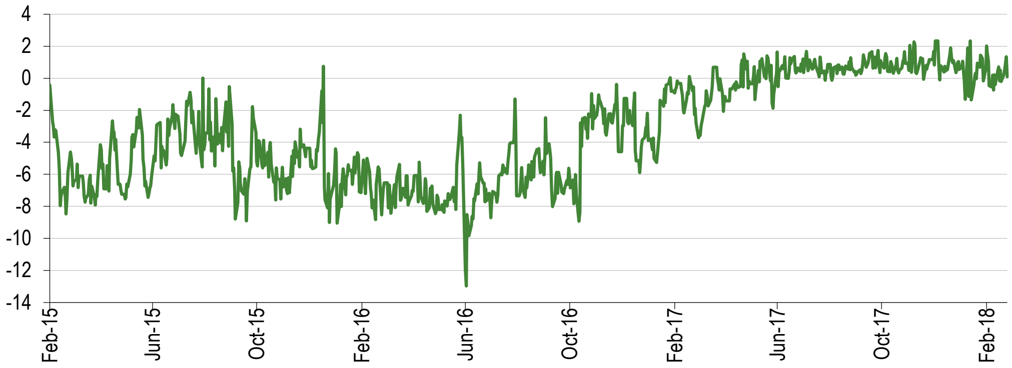
WWH's relative returns are shown in Exhibit 5. The trust has outperformed the MSCI World Health Care index in both NAV and share price total return terms over one, three, five and 10 years. It has also outperformed the World-DS Pharm & Bio index over these periods. Comparing the trust to the UK stock market, it has outperformed markedly over three, five and 10 years.

## Discount: Trading close to NAV

In recent months, WWH has been trading close to NAV. The current 0.1% share price premium to cum-income NAV compares to the range of a 2.3% premium to a 3.7% discount over the last 12 months. It compares with the averages of the last one, three, five and 10 years of a 0.3% premium and 3.3%, 3.4% and 5.7% discounts respectively.

WWH's board aims to keep the trust's discount below 6%. Renewed annually, the trust has authority to purchase up to 14.99% and allot up to 10% of issued share capital. In H118, 1.5m new shares were issued at an average 0.7% premium, raising £38.4m. As shown in Exhibit 1, share issuance is ongoing; so far in FY18, a total of 3.4m new shares have been issued raising c £84.9m.

**Exhibit 6: Share price premium/discount to NAV (including income) over three years (%)**




Source: Thomson Datastream, Edison Investment Research

## Capital structure and fees

WWH is a conventional investment trust with one class of share in issue; there are currently 49.9m ordinary shares outstanding. Gearing is permitted up to 20% of net assets, and is implemented via an overdraft facility with J.P. Morgan Chase. At end-February 2018, net gearing was 8.5%.

OrbiMed is paid a base management fee of 0.65% of NAV, and a performance fee of 15% of outperformance versus the benchmark is payable when incremental outperformance since launch has been achieved, and maintained for a 12-month period. From 1 April 2018, Frostrow Capital, WWH's Alternative Investment Fund Manager, will be paid an annual management fee as follows: up to £150m market cap (0.3%, unchanged); £150 to £500m (0.2%, unchanged); £500m to £1bn (0.15%, increased from 0.125%); £1bn to £1.5bn (0.125%, unchanged); and over £1.5bn (0.075%, reduced from 0.125%). Frostrow continues to receive a fixed fee per annum of £57,500, but is no longer entitled to performance fees.

In FY17, ongoing charges were 0.9%, which was in line with the prior year. Including lower performance fees, ongoing charges were 1.0% versus 2.1% in FY16.

## Dividend policy and record

WWH pays dividends twice a year, in January and July. While the trust targets capital growth rather than income, and annual distributions may decrease as well as increase, over the last five years the dividend has compounded at an annual rate of more than 5%. In FY17, the annual dividend of 22.5p was a c 36% increase compared to FY16. At end-H118, the trust's revenue reserve was £10.7m, which is c 1x the FY17 annual dividend. WWH's current yield is 0.9%.

## Peer group comparison

The selected peer group in Exhibit 7 includes the six members of the AIC Sector Specialist: Biotechnology & Healthcare sector – two biotech funds (Biotech Growth Trust and International Biotechnology Trust); three healthcare funds (BB Healthcare, Polar Capital Global Healthcare Trust and Worldwide Healthcare Trust); and specialist fund investor Syncona. We also include two Switzerland-listed funds (BB Biotech and HBM Healthcare Investments), both of which pay dividends out of capital. WWH's NAV total returns are above average over one, three and five years, ranking third out of eight funds, third out of seven, and third out of seven respectively. The trust is below average over 10 years. It is trading at a modest premium, broadly in line with the peer group average, which is skewed by Syncona's large premium. WWH's ongoing charge is below average, but in common with the majority of its peers a performance fee is payable. The trust's level of gearing is the highest in the selected peer group and, reflecting its focus on capital growth, WWH has a below-average dividend yield.

**Exhibit 7: Selected peer group as at 20 March 2018***

| % unless stated | Market cap £m | NAV TR 1 year | NAV TR 3 year | NAV TR 5 year | NAV TR 10 year | Discount (ex-par) | Ongoing charge | Perf. fee | Net gearing | Dividend yield (%) |
|---|---|---|---|---|---|---|---|---|---|---|
| Worldwide Healthcare Trust | 1,248.5 | 4.5 | 21.3 | 147.0 | 492.2 | 1.3 | 0.9 | Yes | 109 | 0.9 |
| BB Biotech Trust | 2,834.0 | 7.1 | 11.4 | 224.6 | 741.0 | 6.1 | 1.1 | No | 103 | 4.9 |
| BB Healthcare | 301.8 | 0.8 | | | | 2.5 | 1.0 | No | 103 | 3.1 |
| Biotech Growth | 408.7 | (3.8) | (11.6) | 118.3 | 702.3 | (6.4) | 1.1 | Yes | 105 | 0.0 |
| HBM Healthcare Investments | 817.1 | 0.2 | 39.0 | 207.8 | 222.7 | (12.8) | 1.5 | Yes | 100 | 4.1 |
| International Biotechnology | 214.0 | (6.1) | (2.1) | 136.1 | 395.7 | (4.8) | 0.9 | Yes | 100 | 4.5 |
| Polar Capital Global Healthcare | 232.3 | (5.2) | 7.9 | 59.3 | | (6.0) | 1.5 | Yes | 100 | 1.1 |
| Syncona | 1,339.7 | 13.6 | 25.7 | 48.1 | | 34.7 | 1.5 | No | 100 | 1.1 |
| **Average** | **924.5** | **1.4** | **13.1** | **134.5** | **510.8** | **1.8** | **1.2** | | **102** | **2.5** |
| **WWH rank in peer group** | **3** | **3** | **3** | **3** | **3** | **4** | **7** | | **1** | **7** |

Source: Morningstar, Edison Investment Research. Note: *Performance data to 19 March 2018. TR = total return. Net gearing is total assets less cash and equivalents as a percentage of net assets (100 = ungeared).

## The board

Following the retirement of WWH's former lead manager, Sam Isaly, there are five directors on the board; all are non-executive and independent of the manager. Sir Martin Smith is the chairman. He was appointed as a director in 2007 and assumed his current role the following year. The senior independent director is David Holbrook, who was appointed in 2007. The other three directors and their year of appointment are Doug McCutcheon (2012), Sarah Bates (2013) and Humphrey van der Klugt (2016).



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