WORLDWIDE HEALTHCARE TRUST PLC

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2013

CONTENTS

FINANCIAL CALENDAR

Financial Year End	31 March
Financial Results Announced	June
Half Year End	30 September
Half Year Results Announced	November
Interim Management Statements Announced	February/August
Dividends payable	January/July
2013 Annual General Meeting	Wednesday, 17 July to be held at, the Carpenters' Hall Throgmorton Avenue, London EC2N 2JJ

ACCESSING THE GLOBAL MARKET

The healthcare sector is a global one and accessing this global market as a UK investor can be difficult. Within the UK, there are diminishing options for investment as the universe of healthcare companies is shrinking through mergers and acquisitions. Worldwide Healthcare Trust PLC offers an opportunity to gain exposure to pharmaceutical, biotechnology and related companies in the healthcare sector on a global scale.

INVESTMENT OBJECTIVE AND POLICY

Worldwide Healthcare Trust PLC invests 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 mitigate risk and also to enhance returns. Performance is measured against the MSCI World Health Care Index on a net total return, sterling adjusted basis. Further details of the Company's investment policy are set out in the Report of the Directors beginning on page 19.

CONTINUATION VOTE

The next continuation vote of the Company shall be held at the Annual General Meeting in 2014, and further opportunities to vote on the continuation of the Company shall be given to shareholders every five years thereafter.

GEARING

The Company's borrowing requirements are met through the utilisation of a loan facility, repayable on demand provided by Goldman Sachs & Co. New York. At 31 March 2013 £31.4m was drawn down from this facility.

ISA STATUS

The Company's shares are eligible for inclusion in Individual Savings Accounts ('ISAs') and for Junior ISAs. Further information on how to invest in the Company can be found beginning on page 70.

WEBSITE

The Company's internet address is www.worldwidewh.com

Financial Highlights

	As at 31 March 2013	As at 31 March 2012	% Change
Share price	1009.0p	795.0p	+26.9
Net asset value per share – diluted (dilution for subscription shares)	1089.6p	871.0p	+25.1
Net asset value per share – basic	1110.2p	909.4p	+22.1
Discount of share price to the diluted net asset value per share	7.4%	8.7%	n/a

	Year ended 31 March 2013	Year ended 31 March 2012
Share price (total return)*^	+30.9%	+18.2%
Net asset value per share (total return)*+^	+30.3%	+14.4%
Benchmark index (total return)*	+31.4%	+13.4%
Dividends per share	16.5p	17.5p

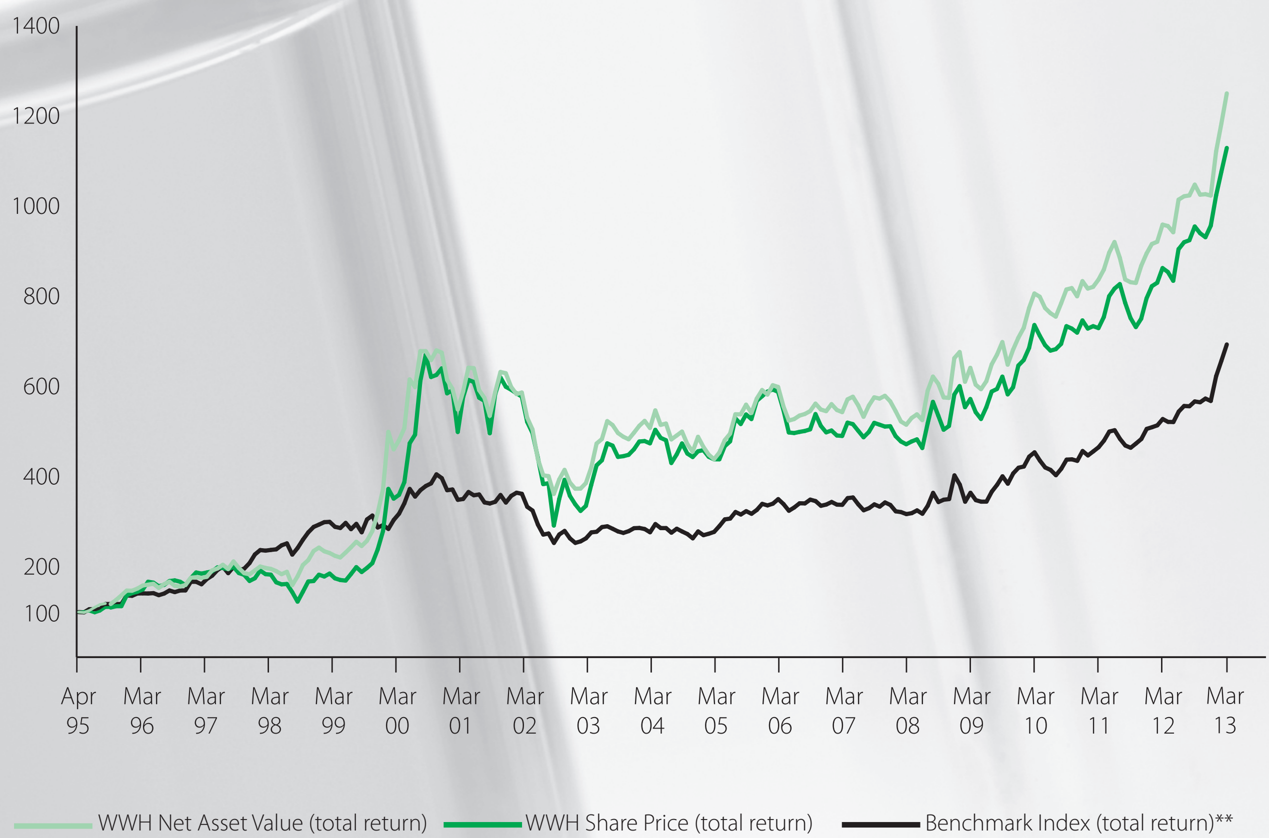
*Source – Morningstar.

+The net asset value per share has been diluted for both subscription shares and treasury shares.

^Includes the 2012 interim dividend of 17.5p per share which had an ex dividend date of 6 June 2012 and also the 2013 first interim dividend of 7.0p per share which had an ex dividend date of 12 December 2012.

Details of the Company's historic performance can be found on page 11.

PERFORMANCE SINCE LAUNCH TO 31 MARCH 2013



Rebased to 100 as at 28 April 1995

Source – Morningstar, Thomson Reuters and Bloomberg.

**With effect from 1 October 2010, the performance of the Company is measured against the MSCI World Health Care Index on a net total return, sterling adjusted basis. Prior to this date, performance was measured against the Datastream World Pharmaceutical & Biotechnology Index (total return, sterling adjusted).

Chairman's Statement

"I am delighted to report that during the year ended 31 March 2013, the Company's net asset value per share total return was 30.3% and the share price total return was 30.9%..."

Sir Martin Smith

REVIEW OF THE YEAR AND PERFORMANCE

I am delighted to report that during the year ended 31 March 2013, the Company's net asset value per share total return was 30.3% and the share price total return was 30.9%, both closely tracking the Company's benchmark, the MSCI World Health Care Index on a net total return, sterling adjusted basis, which rose by 31.4%. I should point out that the share price and the net asset value total return generated during the year were enhanced by the change in the Company's dividend payment policy whereby a first interim dividend of 7.0p per share was paid in January 2013. This "extra" dividend payment enhanced performance in total return terms by approximately 1.0%. The Company has continued to benefit from strong performance from biopharmaceutical companies such as **Gilead Sciences** and **Onyx Pharmaceuticals**, and also from large capitalisation pharmaceutical companies such as **Roche Holdings**, **Pfizer** and **Sanofi**. Further information on the Company's investments can be found in the Review of Investments beginning on page 5 of this Annual Report.

Since the Company's inception in 1995, the total return of the Company's net asset value per share is 1,150.4%, equivalent to a compound annual return of 15.1%. This compares to a cumulative "blended" benchmark return of 593.8%, equivalent to a compound annual return of 11.4%. During this period the Company's net asset value total return ranked second out of the approximately 250 UK Listed Investment Companies (Source: Winterflood Securities Limited and Thomson Reuters).

At 31 March 2013, the discount of the Company's share price to the diluted net asset value was 7.4% (31 March 2012: 8.7%). However, as a result of continued strong performance, at the time of writing the discount has narrowed to 1.3%. The average discount of the share price to the diluted net asset value per share during the year was 6.0% which compares to 7.1% during the previous year.

CAPITAL

In implementing our policy of actively managing the share price discount we repurchased a total of 2,411,340 ordinary shares for treasury during the year, at a discount greater than 6.0% to the prevailing diluted net asset value per share, at a cost of £19.2 million (including expenses). In line with the Board's policy, a total of 2,941,518 shares held in treasury at 18 July 2012, the date of last year's Annual General Meeting, were cancelled. I am pleased to report that, during the year and to the date of this report, we have been able to reissue all of the 378,408 shares bought back into treasury since the 2012 Annual General Meeting at prices representing no more than a 4.9% discount to the prevailing fully diluted cum income net asset value per share, raising £4.0 million of new funds for the Company. Shareholder approval to renew the authority to buy-back both ordinary shares and subscription shares will be sought at the Annual General Meeting. The execution and timing of any share buy-back will continue to be at the absolute discretion of the Board.

I would like to remind shareholders that any shares held in treasury on 17 July 2013, the date of this year's Annual General Meeting, will be cancelled.

The next exercise date for the Company's subscription shares is 31 July 2013 and the exercise price is 699p, where it will remain until the expiry date of the subscription shares on 31 July 2014. As a result of holders of subscription shares exercising their subscription rights during the year and to the date of this report) a total of 4,764,682 new shares were issued, raising £30.5 million of additional funds for the Company.

REVENUE AND DIVIDEND

I reminded shareholders last year that it remained the Company's policy to pursue capital growth for shareholders and to pay dividends to the extent required to maintain investment trust status, I also confirmed that the Company would in future declare two interim dividends per year. A first interim dividend of 7.0p per share, for the year ended 31 March 2013, was paid on 11 January 2013 to ordinary shareholders on the register on 14 December 2012. The Company's net revenue return for the year as a whole has fallen slightly to £7.6 million

Chairman's Statement (continued)

(2012: £9.5 million) due to a reduction in the overall yield from portfolio investments. The Board has declared a second interim dividend of 9.5p per share which, together with the first interim dividend already paid, makes a total dividend for the year of 16.5p (2012: 17.5p per share) which is sufficient to ensure that the Company maintains its investment trust status. Based on the current mid-market share price of 1052.0p the total dividend payment for the year represents a yield of 1.6%.

The second interim dividend will be payable on 5 July 2013 to ordinary shareholders on the register of members on 7 June 2013. The associated ex-dividend date was 5 June 2013.

GEARING

The Company's borrowing requirements are met through a loan facility, negotiated on competitive terms, which is repayable on demand, provided by the custodian Goldman Sachs & Co New York. As at 31 March 2013 a total of £31.4 million of this facility was drawn down, representing 6.2% of the Company's net assets. Your Company has utilised gearing over many years and the Board believes that the availability of a meaningful gearing facility is very useful for a closed end investment company such as ours. The Company's gearing policy is to borrow up to the lower of £120 million or 20% of the Company's net asset value.

THE BOARD

Anthony Townsend, who has been a Director of the Company since its launch in 1995, will be retiring from the Board at the conclusion of this year's Annual General Meeting. Anthony was instrumental in ensuring the launch of the Company and I would like to thank him for his hard work during his time on the Board. His experience and wise counsel will be greatly missed. Jo Dixon will be succeeding him as the Senior Independent Director.

I am delighted to welcome Sarah Bates onto the Board. Sarah brings with her a wealth of experience, both as a former Chairman of the Association of Investment Companies and also as a non-executive Director of a number of public companies including JPMorgan American Investment Trust plc, where she is Chairman, and also New India Investment Trust PLC, Polar Capital Technology Trust plc and Witan Pacific Investment Trust plc.

THE ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE (AIFMD)

The AIFMD is European legislation which will create a European-wide framework for regulating managers of 'alternative investment funds', which includes investment trusts. It came into force in July 2011 with the intention that it be implemented into national legislation by July 2013. Your Board is currently in the process of complying with this legislation and will keep shareholders informed of developments.

OUTLOOK

While the prospects for global economic growth remain mixed, with a further year of recession and continued political uncertainty expected in the Eurozone, and the Chinese economy struggling with high energy costs and a deteriorating trade balance. However, there is better news in Japan and also in the U.S. where, despite automatic budgetary cuts, the US economy is still expected to grow at 2% this year. Our Investment Manager continues to believe that the outlook for the healthcare sector is positive and that there is potential for continued outperformance of the wider market over the long term. In particular, they believe that the portfolio is well positioned to benefit from such factors as low valuations, a rise in the prospects for emerging markets, attractive growth potential for large capitalisation pharmaceutical and biotechnology companies as a result of new product launches and continued merger and acquisition activity.

Our focus continues to be on the selection of stocks with strong prospects and we continue to believe that investors committed to the sector will be well rewarded.

ANNUAL GENERAL MEETING

This year, the Annual General Meeting of the Company will be held at **Carpenters' Hall, Throgmorton Avenue, London EC2N 2JJ** on Wednesday, 17 July 2013 at 12 noon, and we hope as many shareholders as possible will attend. This will be an opportunity to meet the Board and to receive a presentation from our Investment Manager.

Sir Martin Smith
Chairman
6 June 2013

OrbiMed Capital LLC – Investment Manager

OrbiMed was born in 1989 and has evolved over time to be the largest dedicated healthcare investment firm in the world. OrbiMed has managed the portfolio since the Company's launch in 1995. Exceptional returns and recipient of many investment awards signifies the aggregate talents of this exceptional team.

OrbiMed had over U.S.$7 billion in assets under management as of 31 March 2013, across a range of funds, including investment trusts, hedge funds, mutual funds, and private equity funds.

THE TEAM

The OrbiMed Public Equity Investment Team continues to expand. Led by founding partner, Samuel D. Isaly, now over 60 investment professionals cover all aspects of research, trading, finance, and compliance. This includes over 20 degree holders with MD and/or PhD credentials, healthcare industry veterans, and finance professionals with over 20 years of experience.

The firm has a global investment horizon and the OrbiMed footprint now spans 3 continents with offices in New York, San Francisco, Tel Aviv, Shanghai, and Mumbai.

INVESTMENT STRATEGY AND PROCESS

The Team works constantly to identify sources of alpha generation with a focus on fundamental research. In healthcare, there are many primary sources of alpha generation, especially in therapeutics. Clinical events such as the publication of new clinical trial data is a prominent example and historically has been the largest source of share price volatility. Regulatory events, such as new drug approvals by U.S., European, or Japanese regulatory authorities are also stock moving events. Subsequent new product launches are carefully tracked and forecasted. Other sources include legal events and, of course, M&A activity.

The Team has a global focus with a universe of coverage that covers the entire spectrum of companies, from early stage companies with pre-clinical assets to full integrated bio-pharmaceutical companies. The universe of actively covered companies is approaching 1,000.

OrbiMed emphasises investments in companies with underappreciated products in the pipeline, high quality management teams, and adequate financial resources. A disciplined portfolio construction process is utilised to ensure the portfolio is focused on high conviction positions. Finally, the portfolio is subject to rigorous risk management process to moderate portfolio volatility.

Review of Investments

"…. healthcare outperformance in the period was both immediate and sustained."

PERFORMANCE REVIEW

Samuel D. Isaly

The year ended 31 March 2013 was marked by periods of volatility, but primarily was a bullish period for the global equity markets. Early returns were negative in the period, but a turn in the markets in May 2012 marked the beginning of a bull run that bore witness to a nearly 30% swing in the MSCI World Index measured in sterling terms on a net total return basis. Ultimately the MSCI World Index finished up an impressive 17.7% for the year.

Despite such strong returns, global healthcare equities outperformed the broader market during the year. Although following a similar pattern, healthcare outperformance in the period was both immediate and sustained. The MSCI World Healthcare Index rose by 31.4% on a net total return, sterling adjusted basis during the year. This compares to the Company's net asset value per share total return of 30.3% and the share price total return of 30.9% in the same period.

While currency movements have been volatile in recent times, including some precipitous swings in 2012 and early in 2013, the currency impact was modest during the year. A significant majority of the portfolio holdings are denominated in U.S. dollars, but the net move in sterling versus the dollar was approximately 5% in the period.

CONTRIBUTION TO PERFORMANCE

Large capitalisation therapeutic stocks were the hallmark of 2013 performance. Dusting off the doldrums with renewed positive fundamentals, these stocks shook off historically low valuations and re-rated to better reflect a new era of productivity and growth. This led to the largest contributions during the year.

Gilead Sciences, is a good example of this phenomenon. Worldwide leaders in virology, the company maintained its leadership in HIV and grabbed the mantle in hepatitis C, as well. During the period, the company was able to gain regulatory approval for the next generation of anti-viral combination therapy for HIV. Known as Stribild (elvitegravir, cobicistat, emtricitabine, tenofovir), the product launch was solid. Moreover, Gilead's next generation anti-viral combination therapy for hepatitis C began to usher in a new era for the treatment of this chronic liver disease. The novel, all-oral therapy will likely set a new standard in efficacy, safety, and tolerability for this unmet medical need. The regimen is in late stage clinical trials and we expect it to be available to patients in 2015. In recognition of such impressive productivity, the stock doubled during the year. This performance led to Gilead being the top contributor to performance in the period.

Roche Holdings is another example of a large capitalisation bio-pharmaceutical company that demonstrated continued leadership in product development, in this case, in cancer. Roche is the worldwide leader in oncology and sells the three largest cancer drugs in the world (Avastin, Rituxan, Herceptin). Over the past twelve months, the company made important strides in maintaining that leadership with extensive life cycle management and pipeline developments to protect its oncology franchise. Two drugs were approved for breast cancer, Perjeta (pertuzumab) and Kadcyla (ado-trastuzumab), raising the efficacy and safety bar first established by Herceptin. Most notably was the approval of Kadcyla, the first antibody-drug conjugate (ADC) for the treatment of metastatic breast cancer. This type of therapy, pioneered by Roche, helped the stock outpace the NYSE Arca Pharmaceutical Index by over 50% in the period.

Shares of the specialty biotechnology company, **Onyx Pharmaceuticals**, increased sharply due to the approval and launch of Kyprolis (carfilzomib) for treatment of multiple myeloma (a type of bone marrow cancer). Entering 2012, there was significant doubt that the regulatory package submitted to the U.S. Food and Drug Administration ("FDA") would be sufficient for approval, as it was based on a phase II trial rather than a large, randomised phase III trial. However, because of the high unmet medical need represented by refractory myeloma, the drug received a positive review by an advisory committee and accelerated approval from the FDA. The initial launch of the product has gone well, providing further support for the stock. Future approval in Europe is expected. Additionally during the year under review, approval was received for Stivarga (regorafenib) for the treatment of colorectal cancer by Bayer, from which Onyx receives a meaningful royalty.

Another large capitalisation stock, **Pfizer**, utilised a host of levers to produce outperformance in the period. The company successfully divested its Infant Nutritionals business to Nestlé for U.S.$11.9 billion. The company also successfully spun off (partially) its Animal Health business in a U.S.$2.2 billion initial-public-offering. The company continued to return this cash to shareholders in the forms of increasing dividends and an industry leading share buyback programme. Moreover, the company participated in two of the most important drug approvals in recent memory. First, Pfizer was able to obtain U.S. FDA approval for Xeljanz (tofacitinib), the first ever oral, disease modifying

Review of Investments (continued)

agent for the treatment of rheumatoid arthritis. Second, the company, along with partner **Bristol-Myers Squibb**, launched what we believe is the most important therapy ever approved for the prevention of stroke in patients with atrial fibrillation. Known globally as Eliquis (apixaban), this drug has shown to be more efficacious at reducing strokes with less bleeding than the long time gold standard, Coumadin (warfarin). We expect both Xeljanz and Eliquis to reach "mega-blockbuster" status.

The Paris-based bio-pharmaceutical giant, **Sanofi**, entered the year in the midst of one of the largest patent cliffs in the industry. However, while revenues and earnings suffered with the loss of patent protection for its U.S.$10 billion franchise for blood thinner Plavix (clopidogrel), the company was able to align a host of additional growth platforms to drive above average growth in the future. Sanofi has shown leadership in diabetes, vaccines, and consumer healthcare. The acquisition of Genzyme in 2011 also puts Sanofi in the forefront of the biotechnology space, in particular for rare orphan diseases and multiple sclerosis. The market was able to look past the headwind of generics and the stock outpaced the NYSE Arca Pharmaceutical Index by over 50% in the period. Thus, Sanofi was another top contributor to performance.

For stocks that were the largest detractors in the period, a common thread is more difficult to identify but one recurring theme that hurt many stocks in the portfolio was disappointing new product launches for small and mid-capitalisation companies. **Dendreon** is a typical example. The company received approval in 2010 for their novel vaccine for the treatment of prostate cancer. While expectations did reset lower, the combination of high price, difficult procurement logistics (for both the patient and physician), and new competitor entries continued a long string of quarterly sales disappointments. Further exacerbating the move down was decreasing likelihood of the company being acquired and thus the valuation compressed further. Overall, the stock fell over 50% in the period.

OraSure Technologies is a leading diagnostics company that significantly underperformed the broader market during the year. The stock lagged due to a muted over-the-counter HIV test launch coupled with deteriorating legacy diagnostics business caused by a difficult public health funding environment. OraSure's over-the-counter HIV test received its FDA approval in July 2012 on the heels of a unanimous recommendation from the FDA advisory panel in May 2012. The initial enthusiasm of the first FDA cleared over-the-counter HIV test became short-lived soon after initial data tracking the launch started coming in below stock market expectations. Public health funding environment also provided a difficult backdrop for OraSure's core diagnostics business causing the company to provide lacklustre future guidance for two consecutive quarters putting additional downward pressure on the stock.

VIVUS, is a specialty pharmaceutical player that was the first company in the U.S. to launch a new drug for the treatment of obesity in over a decade. The drug, known as Qsymia (phentermine and topiramate), was approved in July 2012 and the company's share price reached a 10-year high shortly thereafter. However, the small company with less than 150 employees took a "go-it-alone" alone strategy and launched the product without the marketing know-how of an established partner. The result was woeful physician and patient awareness about the new weight loss drug. An FDA mandated Risk Evaluation and Mitigation Strategy turned into another obstacle for patients trying to get on therapy. The net result was a spectacularly failed launch and a precipitous decline in share price. This stock is no longer held in the portfolio.

Humana is a managed care company in the United States. The company reported poor quarters in the first half of 2012 when it became apparent they had underpriced premiums for the core "Medicare Advantage" product, a privately offered health insurance programme that provides an eligible person with the U.S. Medicare benefits. The shares partially rebounded later in the year as the prospects improved for the Romney Presidential candidacy on the hopes that a Republican administration would provide a more favourable operating environment for managed care companies and Medicare Advantage plans. This enthusiasm was reversed on Election Day when President Obama was re-elected. More recently, there has been more volatility in Humana shares due to pressures on Medicare rates.

Questcor Pharmaceuticals, a specialty pharmaceuticals company based in California, was a notable detractor during the year. The position was initially predicated on our belief that robust utilisation of their key drug Acthar (corticotrophin) – particularly in the nephrology setting – could drive exceptionally strong revenue and earnings growth for the company for several years. In addition, we viewed the stock as attractively valued in light of anticipated growth. Questcor was a solid performer during the first half of the calendar year 2012, underpinned by strong prescription demand for Acthar. However, in September, a broker's "short report" highlighted a reimbursement policy change at an insurance carrier and the

Review of Investments (continued)

company disclosed a government investigation into marketing practices for Acthar. The back-to-back events triggered a massive sell-off with the stock falling more than 60% in only four trading days. Although a sell-off of that magnitude was unwarranted, we exited our Questcor position as the stock no longer traded on fundamentals. Questcor Pharmaceuticals is no longer held in the portfolio.

Finally, a comment on derivatives and impact on performance. The Company uses derivatives to enhance the capital return of the portfolio, facilitate the management of portfolio volatility and improve the risk-return profile of the Company relative to the benchmark. For year ended 31 March 2013, the option overlay strategy added 1.1% to performance.

SECTOR UPDATE

The calendar year of 2012 represented a clear inflection point in the pharmaceutical and biotechnology industries. Evidence of resurgence in research and development ("R&D") productivity was the key. More positive late stage clinical trial read outs and product approvals were the hallmark metrics. A total of 40 new products were approved by the FDA in 2012, 10 more than in 2011. This is the most new approvals since 2004.

Certainly, the FDA has continued its upswing in "industry friendliness" that commenced in 2010. Tellingly, many of the new product reviews were completed on the "first cycle", or without delay. This represents a dramatic improvement over as little as two years ago when "complete response letters" (implicit rejections) were as common as approvals. Additionally, 2012 was witness to multiple approvals that occurred before the mandated-by-law action dates for the FDA. This phenomenon was previously unheard of. Finally, the FDA has commenced a new "breakthrough therapy" designation for investigational compounds in early stage development. This enables sponsor companies to gain better access to FDA staffers to obtain important input in designing and expediting pivotal trial programmes. A significant number of compounds received this designation in the first four months of 2013.

On the political front, a plethora of uncertainty existed in the first half of the year with the constitutionality of "Obamacare" (The Affordable Care Act or ACA) debated at the Supreme Court of the United States (SCOTUS), followed by the U.S. Presidential Election later in the year. June brought resolution to the ACA as SCOTUS upheld the law in a close 5-4 vote. Thus, there will be no repeal of the new Medical Device tax that commenced in 2013 and, moreover, we will see Health Insurance Market reforms beginning in 2014 as the rate of health insurance for Americans will increase significantly. Specifically, Medicaid eligibility will be expanded effective 1 January 2014. Health insurance exchanges will be established on a state level for people to participate, with subsides for insurance premiums available to individuals who buy a plan from an exchange and have a household income between 133% and 400% of the poverty line.

PHARMACEUTICALS

Our new found bullishness for large capitalisation pharmaceutical stocks continued this year. Despite the well-chronicled "patent cliff" reaching its nadir in 2012, the overall fundamentals of the group have improved dramatically. A number of metrics have impacted the group, but none more important than increased R&D productivity and new product launches. The "new normal" for pharmaceutical companies is that pipelines are delivering new and innovative medicines that are being approved by the FDA. While valuations have moved up to reflect this thinking, the re-rating of the sector is far from complete given that the stocks still trade in the bottom quartile of their historical range and only at a modest premium to the S&P 500. The outlook for the group is one of accelerating sales and earnings, in particular off of the patent cliff trough, fueled by new product launches.

Emerging markets reached critical mass from a global sales perspective earlier this decade. Now, for many companies, emerging markets are a critical growth driver going forward. Visibility into these markets has grown as well, and we are better able to assess this component of a company's sales and income statements.

While our enthusiasm for the group has increased, we remain cautious on some companies that comprise the universe. Patent expirations will prove to be cyclical over time, and while the majority of them for the industry have passed, some companies still have significant generic headwinds in front of them. Further, R&D productivity is not created equal amongst this peer group. We have highlighted some companies as leaders in bringing new drugs to market, but some are relatively thin on late stage pipeline opportunities.

Finally, we remain very much focused on catalysts, in particular clinical and regulatory catalysts. Short term shifts in sentiment can follow unexpected positive or negative events. Fundamentals are most critical, but we are mindful of trading opportunities.

Review of Investments (continued)

BIOTECHNOLOGY

Our bullishness for the outlook of the biotechnology sector is perhaps at an all-time high, in particular for large capitalisation stocks. These stocks are trading at multiples that are comparable to their pharmaceutical counterparts despite superior growth profiles. The combination of robust, future growth and still depressed valuations has created a rare investment opportunity in this space.

Once again, R&D is a key component of the strategy. The number of drugs in clinical development has been increasing over the past decade. With decreased attrition and higher approval rates, more drugs are being approved now than previously observed. Moreover, six of the top ten current best-selling drugs worldwide were originally developed by biotechnology companies and a host of recently launched or soon-to-launch biotechnology drugs have "blockbuster" potential.

Biotechnology companies are also incrementally more astute at targeting "hot" therapeutic categories – ones in which there is a high unmet medical need, in specialist categories which do not require large sales and marketing infrastructures, and pricing flexibility remains high. Such categories include immunology, oncology and orphan diseases.

The topic of "biosimilars" (generic alternatives to large molecule drugs) has been a hotly debated one for most of this century. However, most recent observations suggest that generic companies attempting to develop, manufacture, and sell biosimilars are finding the regulatory and cost barriers much higher than originally expected. Compared to small molecule generics, we expect fewer entrants, smaller share gains, lower pricing discounts, lower prospects for interchangeability, and higher manufacturing hurdles. We continue to believe that biosimilars of some sort are inevitable, but do not believe that they will materially effect the biotechnology industry. Therefore the patent cliff outlook for biotechnology versus pharmaceutical remains decidedly in favour of the biotechnology industry.

GLOBAL GENERICS

Market conditions for generic drug manufacturers are improving across the globe. In the U.S., pricing stability and a favourable patent cycle make the world's largest generic market amongst the most attractive. In Europe, austerity measures have nudged generic utilisation markedly higher, overwhelming pricing erosion in many major markets. Throughout Asia, economic expansion, favourable demographics, supportive governmental policies and other contributing factors have boosted generic utilisation in some regions to unprecedented levels.

Although we are encouraged by these positive dynamics, increased regulatory scrutiny, especially manufacturing-related, and reimbursement uncertainties have become global issues worth monitoring. In-line with our positive views, we favour many of the mid-sized and large global generic players, especially those with emerging branded franchises. We believe these companies are best positioned to realise both near-term and longer-term growth opportunities. Japan possesses the fastest growing generic drug market in the world and 2013 promises to be the most dynamic in history. In India, we favour companies with geographic and product diversification with strong management teams in place.

SPECIALTY PHARMACEUTICALS

We look at this sub-sector on a number of levels. On one hand, we continually search for high-growth companies with attractive, growth-adjusted valuations. On the other, we seek out "contrarian" stocks with underappreciated businesses often trading at depressed valuations. In Europe, we remain very selective, as we find conditions in several major markets to be unfavourable for many specialty pharmaceutical companies. Finally, merger and acquisition activity is always a consideration and we continually look for companies that could become acquisition targets.

MEDICAL DEVICES

We remain cautious on the Medical Device sector, an industry that has underperformed due to multi-year head winds. Innovation and pricing go hand-in-hand and this sector has been devoid of both. Uncertain economic times have led to lower utilisation and decreased demand, clearly a headwind for these companies. An inflection is possible if not inevitable, so we continuously monitor utilisation trends across the healthcare sector. These metrics are critical in considering the large capitalisation medical device stocks. For small and mid-capitalisation companies, we look for undervalued quality and misunderstood product cycles that allow for opportunistic buys.

Review of Investments (continued)

HEALTHCARE SERVICES

It remains a dynamic time in history for the hospitals and managed care companies in the U.S., the so-called "HMOs" or Health Maintenance Organisations. For the next several years, the key variable for the services sector is the implementation of healthcare reform emanating from the ACA. The expansion of insurance coverage should improve the profitability of hospitals which previously were uncompensated for care provided to uninsured patients.

For the HMOs, privatisation of Medicare/Medicaid/Dual eligibles is an area of growth as stretched government budgets encourage shifting these individuals to a managed care platform. The HMOs have been able to maintain premiums by assuming a recovery in utilisation; however utilisation is unlikely to recover until the broader macro and employment environment improves. With attractive valuations, we are positive on the group.

LIFE SCIENCES TOOLS AND DIAGNOSTICS

We continue to favour the Life Sciences Tools & Diagnostics sub-sectors as we enter 2013. The sector is beginning to rebound from depressed multiples of the last few years as visibility in organic growth improves, fueled by innovations in genomic research. The industry consolidation theme has been driving sector-wide multiples expansion as large bell-weather conglomerates begin to show explicit interests in acquiring smaller companies in growth areas. Recovery in the macro economy, coupled with foreseeable resolution to sequestration in the U.S., should continue to support outperformance in the group especially as we head into second half of 2013.

Within the sub-sectors of Life Sciences Tools & Diagnostics, we favour companies with new innovative products in genomic research over the traditional life sciences names with more cyclical industrial markets exposures. We continue to believe in the large market potential of next-generation sequencing, as it moves from research markets into clinical applications still in nascent stages.

EMERGING MARKETS

We substantially increased our exposure to emerging market stocks after the 2011 sell-off. The increased exposure was through a combination of either direct holdings of companies in the local geographies such as China and India, and indirectly through our global large capitalisation holdings.

The size of our direct holdings in individual stocks in countries such as China and India, further increased from more than 8% at the end of fiscal year 2011 to roughly 11% through 2012. In particular, it is noteworthy that we have ventured into the Chinese "A" share market via the Qualified Foreign Institutional Investor (QFII) programme which allows licensed foreign investors to buy and sell yuan-denominated "A" shares in China's mainland stock exchanges.

Emerging market revenues for large capitalisation pharmaceutical stocks range up to 34% of total sales for these companies. For the period ending with the 2013 fiscal year, we estimate that this contributed an additional 10% of exposure to emerging markets.

Samuel D. Isaly
OrbiMed Capital LLC
Investment Manager
6 June 2013

Review of Investments (continued)

CONTRIBUTION BY INVESTMENT

Principal contributors to and detractors from net asset value performance over the year to 31 March 2013

Top Five Contributors	Contribution for the year to 31 March 2013 £'000	Contribution per share (pence)*
Gilead Sciences	13,923	31.07
Roche Holdings	13,405	29.91
Onyx Pharmaceuticals	8,249	18.41
Pfizer	6,573	14.67
Sanofi	6,139	13.70
		107.76
Top Five Detractors		
Dendreon	(2,688)	(6.00)
Orsure Technologies	(2,446)	(5.46)
VIVUS	(2,285)	(5.10)
Humana	(1,846)	(4.12)
Questcor Pharmaceuticals	(1,750)	(3.90)
		(24.58)

*based on 44,819,199 being the weighted average number of shares in issue during the year ended 31 March 2013.

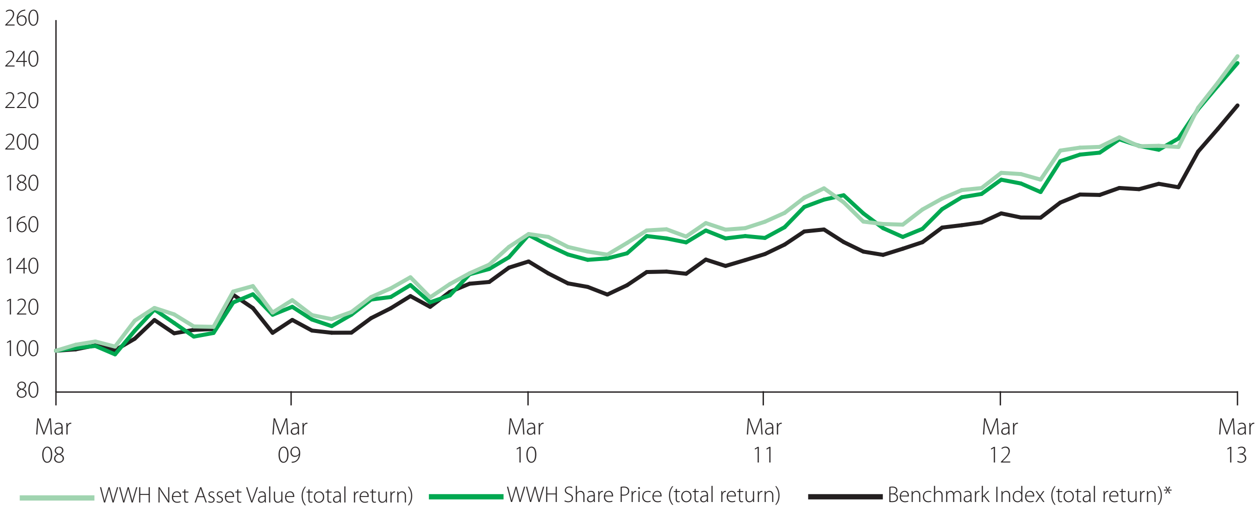
Source: Frostrow Capital LLP

Historic Performance

	31 March 2008	31 March 2009	31 March 2010	31 March 2011	31 March 2012	31 March 2013	% Change for the year ended 31 March 2013
Net asset value per share – diluted (dilution for warrants/subscription shares)	482.4p	600.5p	752.7p	773.5p	871.0p	1089.6p	+25.1
Net asset value per share – basic	486.6p	635.9p	780.8p	799.2p	909.4p	1110.2p	+22.1
Share price	457.0p	550.5p	701.5p	686.0p	795.0p	1009.0p	+26.9
Warrant/subscription share price	27.5p	62.0p	98.0p	84.5p	133.5p	307.5p	+130.3
Discount of share price to diluted net asset value per share	(5.3%)	(8.3%)	(6.8%)	(11.3%)	(8.7%)	(7.4%)	n/a
Average month end discount of share price to diluted net asset value per share	(6.4%)	(7.5%)	(7.1%)	(7.6%)	(7.1%)	(6.0%)	n/a
Gearing †	1.8%	15.3%	10.4%	13.3%	16.4%	9.8%	n/a
Ongoing charges †	1.3%	1.2%	1.0%	1.0%	1.1%	1.0%	n/a
Ongoing charges (including performance fees crystallised during the period)†	1.3%	1.2%	1.0%	1.8%	1.3%	1.2%	n/a

†See glossary on page 72.

5 YEAR PERFORMANCE TO 31 MARCH 2013



Rebased to 100 as at 31 March 2008
Source: Morningstar, Thomson Reuters & Bloomberg

*With effect from 1 October 2010, the performance of the Company is measured against the MSCI World Health Care Index on a net total return, sterling adjusted basis. Prior to this date, performance was measured against the Datastream World Pharmaceutical & Biotechnology Index (total return, sterling adjusted).

Champions of Innovation

INDUSTRY LEADING INVESTMENTS IN THE PORTFOLIO DURING THE YEAR

ROCHE HOLDINGS (Large Capitalisation Bio-pharmaceutical)

The worldwide leaders in oncology, Roche Holdings, are not resting on their past laurels. Rather, the company continues to push the frontiers of science in developing novel therapies for the treatment of cancer. Antibody Drug Conjugates (or ADC's) are a new type of targeted therapy which consist of antibody linked to a cytotoxic drug (chemotherapy). The antibody will seek and bind to the specific tumor cells, be internalised, and release the cytotoxin to kill the host cell. Roche was the first company to get FDA approval for an ADC. Known as Kadcyla (ado-trastuzumab), adding the drug to current treatment regimens has increased the survival of metastatic breast cancer patients (who are HER2+) by almost 300% over chemotherapy alone. Roche also has a follow-on drug to the "mega-blockbuster" cancer product, Rituxan (rituximab), for blood cancers. Referred to as obinutuzumab (GA-101), filing with regulatory authorities should occur late 2013. Roche is also involved in a new class of cancer therapies – immunotherapy – with first data available later in 2013. But Roche is not only a cancer company, with important pipeline projects in neuroscience, Alzheimer's, and cardiovascular that could further their reputation as leaders in innovative medicines.

GILEAD SCIENCES (Large Capitalisation Biotechnology)

Founded in 1987, the biotechnology company Gilead Sciences, has become a category leader in virology, in particular the treatment of human immunodeficiency virus (HIV). In 2012, the company posted global sales of U.S.$8 billion for HIV therapies alone. In 2013, the company launched is what will probably be the next gold standard therapy for HIV, the four drug combination product known as Stribild (elvitegravir, cobicistat, emtricitabine, tenofovir). We expect Stribild to reach well over U.S.$3 billion in peak global sales. Gilead has also attempted to become category leaders in another virology category, specifically hepatitis C. Once again through astute R&D and M&A, Gilead is on the cusp of redefining the treatment of hepatitis C with a 2-3 month all-oral therapy (versus the current gold standard treatment regimen which includes weekly injections for a minimum of 6 months). The Gilead approach not only simplifies the regimen into a single, once daily pill, but also avoids the very difficult side effects of today's regimen which causes many patients to discontinue therapy. But most noteworthy is that Gilead's therapy will also lead to a cure in the vast majority of patients with hepatitis C. We expect the drug cocktail to be available to patients in 2015 and take the majority share of what we expect to be a U.S.$10 billion market.

Champions of Innovation (continued)

INSULET CORPORATION

(Medical Devices)

Insulet Corporation develops, manufactures, and markets a tubeless insulin patch pump, called the OmniPod, to treat people with insulin-dependent diabetes. The patch pump offers the patient freedom from tubes, ease of training and a more payer-friendly pay-as-you-go plan. The company has recently launched a next generation pump that is smaller and lighter with lower cost of manufacture. Insulet should benefit from greater demand and higher gross margins. Going forward, Insulet may also eventually incorporate a continuous glucose monitoring capability and is working with pharmaceutical partners to use the patch pump technology to deliver other drugs.

Insulet Corporation

恒瑞

JIANGSU HENGRUI MEDICINE

(Chinese Pharmaceutical)

We view Jiangsu Hengrui Medicine as the most established innovative pharmaceutical company in China. While we acknowledge that drug development in China has very much lagged behind the developed countries, we like the tremendous market potential and growth trajectory the market offers. Jiangsu Hengrui is the largest oncology drug developer and marketer in China, and is rapidly expanding its franchise into surgical anesthetic, autoimmune, and diabetes drugs. Hengrui has one of the most solid drug pipelines among all Chinese pharmaceutical companies. Among 60 plus drug applications filed with the State Food and Drug Administration, some noteworthy examples include apatinib (a VEGFR 2 tyrosine kinase inhibitor for gastric cancer), sunitinib (inhibitor for multiple receptor tyrosine kinases for renal cell cancer), long-lasting G-CSF (for neutropenia), and a DDP-4 inhibitor (for diabetes), among others. In addition, Jiangsu Hengrui also has one of the most established and best managed sales and marketing channels in China.

Portfolio

as at 31 March 2013

Investments	Country	Market value £'000	% of investments
Roche Holdings	Switzerland	49,995	9.0
Gilead Sciences	USA	25,579	4.6
Pfizer	USA	24,786	4.5
Sanofi	France	23,456	4.2
HCA	USA	20,769	3.8
Bristol-Myers Squibb	USA	18,274	3.3
Amgen	USA	16,741	3.0
Mylan	USA	16,652	3.0
Merck & Co.	USA	15,049	2.7
Incyte Corp +	USA	13,649	2.5
Top 10 Investments		**224,950**	**40.6**
Ono Pharmaceutical	Japan	12,491	2.3
AbbVie	USA	11,317	2.0
Celgene	USA	10,796	1.9
GlaxoSmithKline	UK	10,539	1.9
Express Scripts	USA	10,206	1.8
Novartis	Switzerland	9,844	1.8
Abbott Laboratories	USA	9,808	1.8
Actavis	USA	9,581	1.7
Mitsubishi Tanabe Pharma	Japan	9,562	1.7
Onyx Pharmaceuticals	USA	9,066	1.6
Top 20 Investments		**328,160**	**59.1**
Illumina	USA	8,537	1.5
Sawai Pharmaceutical	Japan	8,237	1.5
Infinity Pharmaceuticals	USA	8,218	1.5
Insulet	USA	7,754	1.4
Actelion	Switzerland	7,207	1.3
Wellpoint	USA	7,190	1.3
Biogen Idec	USA	6,987	1.3
Mako	USA	6,525	1.2
UnitedHealth	USA	6,476	1.2
Zimmer	USA	6,437	1.2
Top 30 Investments		**401,728**	**72.5**

+includes Incyte 4.75% 01/10/15 (Conv) equating to 1.6% of investments

Portfolio (continued)

as at 31 March 2013

Investments	Country	Market value £'000	% of investments
Towa Pharmaceutical	Japan	6,285	1.1
Nichi-Iko Pharmaceutical	Japan	6,218	1.1
Dendreon ^	USA	6,132	1.1
Allergan	USA	5,807	1.0
Life Technologies	USA	5,787	1.0
Vocera Communications	USA	5,680	1.0
Baxter International	USA	5,549	1.0
Medivation	USA	5,544	1.0
BioMarin Pharmaceutical	USA	5,494	1.0
Biosensors International	Singapore	5,088	0.9
Top 40 Investments		**459,312**	**82.7**
Fluidigm	USA	4,956	0.9
Thermo Fisher Scientific	USA	4,835	0.9
Shandong Weigao Group	China	4,573	0.8
Impax Laboratories	USA	3,741	0.7
3SBio	China	3,654	0.7
Aetna	USA	3,367	0.6
Exact Sciences	USA	3,333	0.6
Elan	Ireland	3,232	0.6
Neurocrine Biosciences	USA	3,138	0.6
China Shineway Pharmaceutical	China	3,066	0.6
Top 50 Investments		**497,207**	**89.7**

^includes Dendreon 2.875% 15/01/16 (Conv) equating to 0.6% of investments

Portfolio (continued)

as at 31 March 2013

Investments	Country	Market value £'000	% of investments
Affymetrix 4% 01/07/19 (Conv)	USA	2,833	0.5
CIGNA	USA	2,546	0.5
Given Imaging	Israel	2,529	0.5
Orasure Technologies	USA	2,520	0.5
Curis	USA	2,444	0.4
Sequenom	USA	2,069	0.4
Humana	USA	1,502	0.3
Sino Biopharmaceuticals	China	934	0.2
InterMune	USA	745	0.1
Total equities and fixed interest investments		**515,329**	**93.1**
OrbiMed Emerging Markets Basket		18,031	3.2
Jiangsu Hengrui		6,411	1.2
Lupin		4,760	0.9
Strides Arcolab		2,642	0.5
China Resources		2,526	0.4
Aurobindo		1,618	0.3
Total OTC Swaps		**35,988**	**6.5**
Options – (Put & Call)		2,442	0.4
Total investments including OTC Swaps and Options		**553,759**	**100.0**

SUMMARY

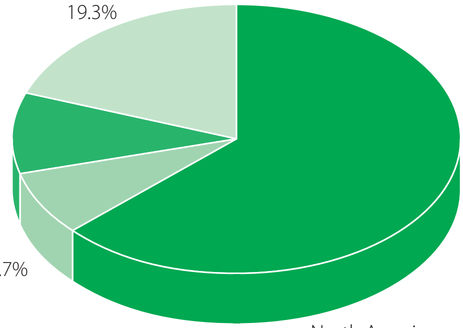
as at 31 March 2013	Market value £'000	% of investments
Equities (including options & swaps)	538,744	97.3
Convertibles	15,015	2.7
Total of all investments	**553,759**	**100.0**

Analysis of the Portfolio

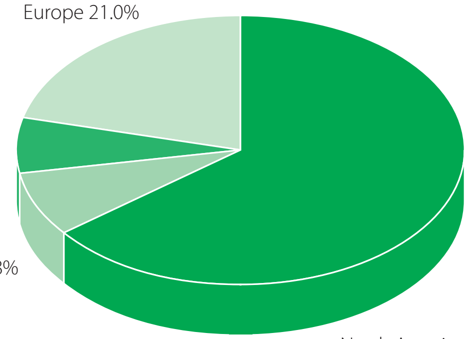
as at 31 March 2013

BY GEOGRAPHY

2013

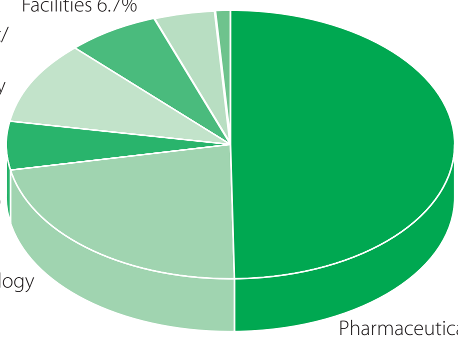


2012

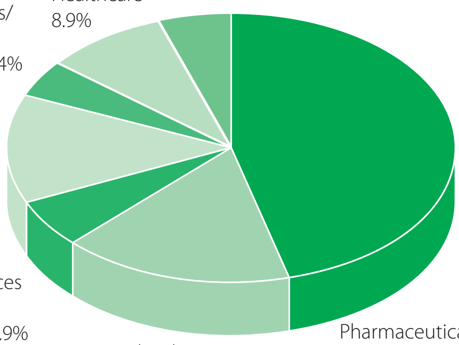


BY SECTOR

2013



2012



Note:
A small capitalisation company is defined as being one with a market capitalisation of less than U.S.$5bn and a large capitalisation company is one with a market capitalisation of more than U.S.$5bn.

Your Board







The Board of Directors, all of whom are non-executive, supervise the management of Worldwide Healthcare Trust PLC and look after the interests of shareholders.

SIR MARTIN SMITH*+ (CHAIRMAN)

Sir Martin Smith, aged 70, joined the Board in 2007. After acting as Head of Corporate Finance for Citibank in Europe, and Chairman of Bankers Trust International, he became a founder of Phoenix Securities, a private investment banking firm. Following the acquisition of Phoenix in 1997 by Donaldson Lufkin and Jenrette ("DLJ"), he chaired DLJ's European Investment Banking Group. He subsequently became a founder and Vice Chairman of New Star Asset Management Group PLC. He is a Director of a number of private companies. He attended Oxford University and has an MBA from Stanford University.

SARAH BATES*+

Sarah Bates, aged 54, joined the Board in May 2013. A former Chairman of the Association of Investment Companies, she is currently Chairman of JPMorgan American Investment Trust plc and a non-executive Director of New India Investment Trust PLC, Polar Capital Technology Trust plc, St James's Place plc, Witan Pacific Investment Trust plc and Development Securities plc. She is also Chairman of Rutley Russia Property Fund Limited and of Stena Line (UK) Pension Scheme Trustees Limited. In addition, she is Chairman of, or a member of Charitable and pension fund investment committees including that of the East Riding Pension Fund and is Chairman of the Kings Corner Project. She attended Cambridge University and has an MBA from London Business School.

JO DIXON*+

Jo Dixon, aged 53, joined the Board in 2004 and is Chairman of the Audit Committee. She is currently a non-executive Director and Chairman of the Audit Committee of Standard Life Equity Income Trust PLC and Baring Emerging Europe PLC. Jo is a graduate Chartered Accountant having trained with Touche Ross in London. Her career has spanned strategic development, finance and commercial management at a number of companies including The Eden Project, Cornwall, Serco Group plc and Newcastle United PLC and also within the Investment Bank and main group of NatWest.

DR DAVID HOLBROOK*+

Dr David Holbrook, aged 53, joined the Board in 2007. He is a qualified physician and a Director of MTI Partners Limited, a leading technology venture capital investor. He attended London and Oxford Universities, and has an MBA from Harvard Business School. He has held senior positions in a number of blue chip biopharmaceutical organisations including GlaxoSmithKline and Roche.

SAMUEL D. ISALY

Sam Isaly, aged 68, joined the Board at launch in 1995. Sam is Managing Partner of OrbiMed Capital LLC, the Company's Investment Manager, and has been an international pharmaceutical investment specialist for more than 20 years having worked in New York and Europe with Chase Manhattan, Société Générale, Crédit Suisse and UBS Warburg.

DOUG McCUTCHEON*+

Doug McCutcheon, aged 48, joined the Board in 2012. Based in Toronto, Canada, Doug is both a Canadian and UK citizen. Doug is the President of Gormley Limited, an investment company focused on investing in private companies, and is also on the Board of Longview Asset Management. Doug is involved in several philanthropic organisations, with a focus on healthcare and education. Until 2012, Doug was at UBS, where he was the former head of UBS Healthcare Investment Banking for Europe, the Middle East, Africa and Asia-Pacific. He has over 25 years' experience as an investment banker.

ANTHONY TOWNSEND*+

Anthony Townsend, aged 65, joined the Board at launch in 1995. Anthony has spent over 40 years working in the City and was Chairman of The Association of Investment Companies from 2001 to 2003. Anthony is Chairman of Baronsmead VCT 3 plc, British & American Investment Trust PLC, F&C Global Smaller Companies PLC, Finsbury Growth & Income Trust PLC and Miton Worldwide Growth Investment Trust Plc.

Other than those stated above, none of the Directors has any other connections with the Investment Manager and is not employed by any of the companies in which the Company holds an investment.

*Member of the Audit Committee
+Member of the Nominations and Management Engagement and Remuneration Committees

Report of the Directors

Incorporating the Business Review

In accordance with the requirements of the Companies Act 2006 (the 'Act') and the UK Listing and Transparency Rules, the Directors present their annual report on the affairs of the Company together with the audited financial statements and the Independent Auditors' Report for the year ended 31 March 2013.

INTRODUCTION

The Report of the Directors includes the Business Review and Corporate Governance Statement. The Business Review contains a review of the Company's business, the principal risks and uncertainties it faces and an analysis of its performance during the financial period and the position at the period end and the future business plans of the Company. To aid understanding of these areas the Board has included an analysis using appropriate Key Performance Indicators. The Business Review should be read in conjunction with the Chairman's Statement on pages 2 and 3, the Review of Investments on pages 5 to 10 and the analyses on pages 11 to 17.

BUSINESS AND STATUS OF THE COMPANY

The Company is registered as a public limited company and is an investment company within the terms of Section 833 of the Companies Act 2006 (the 'Act'). Its shares are listed on the Official List of the UK Listing Authority and traded on the main market of the London Stock Exchange, which is a regulated market as defined in Section 1173 of the Act.

The Company has received approval from HM Revenue & Customs as an authorised investment trust under Sections 1158 and 1159 of the Corporation Tax Act 2010 ("CTA 2010") for the year ended 31 March 2012. This approval is subject to there being no subsequent enquiry under corporation tax self-assessment. In the opinion of the Directors, the Company continues to direct its affairs so as to enable it to qualify for such approval. In accordance with recent changes to CTA 2010, the Company has obtained ongoing approval from HM Revenue & Customs for all accounting periods commencing on 1 April 2012.

CONTINUATION OF THE COMPANY

A resolution was passed at the Annual General Meeting held in 2009 that the Company continues as an investment trust for a further five year period. In accordance with the Company's Articles of Association, shareholders will have an opportunity to vote on the continuation of the Company at the Annual General Meeting in 2014 and every five years thereafter.

INVESTMENT OBJECTIVE AND BENCHMARK

The Company invests worldwide in pharmaceutical and biotechnology companies and related securities in the healthcare sector with the objective of achieving a high level of capital growth. With effect from 1 October 2010, the Company's performance has been measured against the MSCI World Health Care Index (net total return, sterling adjusted). Prior to this date, performance was measured against the Datastream World Pharmaceutical & Biotechnology Index (total return, sterling adjusted).

INVESTMENT POLICY

In order to achieve its investment objective, the Company invests in a diversified portfolio of shares in pharmaceutical and biotechnology companies and related securities in the healthcare sector on a worldwide basis. It uses gearing and derivative transactions to mitigate risk and also to enhance capital returns.

Investment Limitations and Guidelines

The Board seeks to manage the Company's risk by imposing various investment limits and restrictions:

- The Company will not invest more than 10% of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange, except where the investment companies themselves have stated investment policies to invest no more than 15% of their gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.
- The Company will not invest more than 15% of the portfolio in any one individual stock at the time of acquisition;
- At least 60% of the portfolio will normally be invested in larger companies (i.e. with a market capitalisation of at least U.S.$5bn);
- At least 20% of the portfolio will normally be invested in smaller companies (i.e. with a market capitalisation of less than U.S.$5bn);
- Investment in unquoted securities will not exceed 10% of the portfolio at the time of acquisition;
- A maximum of 5% of the portfolio, at the time of acquisition, may be invested in each of debt instruments, convertibles and royalty bonds issued by pharmaceutical and biotechnology companies;

Report of the Directors (continued)

Incorporating the Business Review

- A maximum of 15% of the portfolio, at the time of acquisition, may be invested in companies in each of the following sectors:
  - healthcare equipment
  - healthcare technology
  - providers of healthcare and related services
- The Company's gearing policy is to borrow up to the lower of £120 million or 20% of the Company's net asset value;
- Derivative transactions can be used to mitigate risk and/or enhance capital returns and will be restricted to 5% of the portfolio; and
- Equity Swaps may be used in order to meet the Company's investment objective of achieving a high level of capital growth and is restricted to 8% of the gross assets of the Company at the time of acquisition.

Compliance with the Board's investment limitations and guidelines is monitored continuously by Frostrow Capital LLP ("Frostrow" or the "Manager") and OrbiMed Capital LLC ("OrbiMed" or the "Investment Manager") and is reported to the Board on a monthly basis.

PERFORMANCE

In the year to 31 March 2013, the Company's net asset value total return was 30.3% compared to a rise of 31.4% in the Company's benchmark, the MSCI World Health Care Index (net total return, sterling adjusted). The Company's share price total return was 30.9% during the year. Both the share price and the net asset value total return generated during the year were enhanced by virtue of the change in the Company's dividend payment policy whereby a first interim dividend of 7.0p per share was paid in January 2013. This "extra" dividend payment enhanced performance in total return terms by approximately 1.0%.

The Review of Investments on pages 5 to 10 includes a review of the principal developments during the year, together with information on investment activity within the Company's portfolio.

RESULTS AND DIVIDEND

The results attributable to shareholders for the year and the transfer to reserves are shown on page 41. In order to maintain investment trust status the Directors have declared two interim dividends for the year totaling 16.5p per share (2012: a single interim dividend of 17.5p) the second of which will be payable on 5 July 2013.

KEY PERFORMANCE INDICATORS ('KPIs')

At each Board meeting the Board assesses the Company's performance in meeting its investment objective and against the following key performance indicators:

- Net asset value total return (see pages 1 and 11)
- Share price total return (see pages 1, 11 and 38)
- Stock contribution analysis (see page 10)
- Share price premium/discount to net asset value per share (see page 11)
- Ongoing charges (see page 11)
- Benchmark performance (see pages 1, 11 and 38)
- Issue of new shares/repurchase of own shares (see page 22 and 52)

The management of the portfolio is conducted by the Investment Manager and the management of the Company's affairs, including marketing, administration and company secretarial matters is conducted by the Manager. Each provider is responsible to the Board which is ultimately responsible to the shareholders for performing against, *inter alia*, the above KPIs within the terms of their respective agreements by utilising the capabilities of the experienced professionals within each firm.

PRINCIPAL RISKS AND THEIR MITIGATION

The Company's assets consist principally of listed equities; its main area of risk is therefore stockmarket-related. The specific key risks faced by the Company, together with the Board's mitigation approach, are as follows:

Investment Activity and Strategy

The Board regularly reviews the Company's investment mandate and its long-term investment strategy in relation to market and economic conditions, and the operation of the Company's peers, thereby monitoring whether the Company should continue in its present form. An inappropriate investment strategy, for example asset allocation or the level of gearing, may lead to underperformance against the Company's benchmark index and peer companies, resulting in the Company's shares trading on a wider discount. The Board manages these risks by diversification of investments through its investment restrictions and guidelines which are monitored and reported on by the Manager. Each month the Board receives a monthly review report which monitors the Company's investment performance (both on an absolute basis and against the benchmark and peer group) and its

Report of the Directors (continued)

Incorporating the Business Review

compliance with the investment guidelines. Additional reports and presentations are regularly presented to investors by the Company's Manager, Investment Manager and also by Winterflood Securities, the Company's Corporate Stockbroker.

The Board undertakes a regular review of the level of discount/premium and consideration is given to ways in which share price performance may be enhanced, including the effectiveness of marketing and share buy-backs, where appropriate. The Board has implemented a discount control mechanism intended to establish a target level of no more than a 6% discount of share price to the diluted net asset value per share. Shareholders should note, however, that it remains possible for the share price discount to net asset value per share to be greater than 6% on any one day and is due to the fact that the share price continues to be influenced by overall supply and demand for the Company's shares in the secondary market. The volatility of the net asset value per share in an asset class such as healthcare is another factor over which the Board has no control. The average month end share price discount during the year was 6%. The making and timing of any share buy-backs is at the absolute discretion of the Board.

A significant proportion of the Company's assets are, and will continue to be, invested in securities denominated in foreign currencies, in particular U.S. dollars. As the Company's shares are denominated and traded in sterling, the return to shareholders will be affected by changes in the value of sterling relative to those foreign currencies. The Board has made clear the Company's position with regard to currency fluctuation, which is that it does not currently hedge against currency exposure.

Shareholder Relations and Corporate Governance

The Board regularly reviews investment performance against the benchmark and against peer group. The Board also receives regular reports that show an analysis of performance compared with other relevant indices. The Investment Manager provides an explanation of stock selection decisions and an overall rationale for the make-up of the portfolio. The Investment Manager discusses current and potential investment holdings with the Board on a regular basis in addition to new initiatives, which may enhance shareholder returns.

Operational

Disruption to, or failure of accounting, dealing or payments systems or the custodian's records could prevent accurate reporting and monitoring of the Company's financial position. The Board reviews both the internal control and the disaster recovery procedures put in place by its principal service providers on a regular basis.

Financial

Industry risk exists in all specialist industries. Risks are inherent in pharmaceutical companies with, for example, the potential for drug withdrawals from the market or failures after launch and lack of expected profit growth.

The Board meets on a quarterly basis during the year and on an ad hoc basis if necessary. At each meeting they consider the asset allocation of the portfolio. The Investment Manager has responsibility for selecting investments in accordance with the Company's investment objective and seeks to ensure that individual stocks meet an acceptable risk-reward profile.

The Company's assets comprise mainly readily realisable liquid securities, which can be sold to meet funding requirements if necessary.

The Company's assets can be held by Goldman Sachs & Co. New York as collateral for the loan provided by them to the Company. Such assets taken as collateral may be used, loaned, sold, rehypothecated or transferred by Goldman Sachs & Co. New York, although the Company maintains the economic benefits from ownership of those assets. Goldman Sachs & Co. New York may take up to 140% of the value of the outstanding loan as collateral. The Company is afforded protection under both the SEC rules and U.S. legislation equal to the value of the net assets held by Goldman Sachs & Co. New York (also see glossary on page 72).

Assets held by Goldman Sachs & Co. New York, as custodian, that are not used as collateral, are held in segregated client accounts.

Further information on financial instruments and risk, as required by FRS 29, can be found in note 18 to the financial statements beginning on page 54.

The Company is also exposed to the risk that the custodian and/or counterparties may fail and that title to stocks does not survive an ensuing liquidation. The Company's Investment Manager is responsible for undertaking reviews of the credit worthiness of the counterparties that it uses. The Board regularly reviews the Investment Manager's approved list of counterparties.

Accounting, Legal and Regulatory

In order to qualify as an investment trust, the Company must comply with Section 1158 of the Corporation Tax Act 2010

Report of the Directors (continued)

Incorporating the Business Review

("Section 1158"). Were the Company to breach Section 1158, it might lose investment trust status and, as a consequence, gains within the Company's portfolio could be subject to Capital Gains Tax. The Section 1158 qualification criteria are continually monitored by the Manager and the results reported to the Board each month. The Company must also comply with the provisions of the London Stock Exchange, the UKLA Listing Rules and Disclosure & Transparency Rules ('DTRs'). A breach of the Companies Act could result in the Company and/or the Directors being fined or subject to criminal proceedings. Breach of the UKLA Listing Rules or DTRs could result in the Company's shares being suspended in listing which in turn would breach Section 1158. The Board relies on the services of its Manager to ensure compliance with The Companies Act and The UKLA Listing Rules.

LOAN FACILITY

The Company's borrowing requirements are met through the utilisation of a loan facility, repayable on demand, provided by Goldman Sachs & Co. New York. At the year end total borrowings amounted to the equivalent of £31.4 million representing 6.2% of net assets. Further details can be found in note 11 on page 52 and in note 18 beginning on page 54.

SHARE CAPITAL

On 4 September 2009, the Company made a bonus issue of subscription shares on the basis of one subscription share for every five ordinary shares held at that date. The subscription shares have quarterly subscription dates and the following shares were allotted by the Company as a result of holders of the subscription shares exercising their subscription rights during the year:

2,213,584 shares were allotted on 2 May 2012 raising £14,123,000.

2,457,096 shares were allotted on 1 August 2012 raising £15,676,000.

960 shares were allotted on 14 August 2012 raising £6,000.

9,946 shares were allotted on 1 November 2012 raising £70,000.

33,336 shares were allotted on 1 February 2013 raising £233,000.

Subsequent to the year-end 49,760 shares were allotted on 2 May 2013 raising £348,000.

During the year under review the Company re-purchased a total of 2,411,340 shares to be held in treasury, at a cost of £19.2 million (including expenses). Since the year end and to 6 June 2013 no further shares have been repurchased by the Company. In aggregate, to 6 June 2013, the shares re-purchased equate to a total of 5.6% of the issued share capital (excluding shares held in treasury) at the beginning of the year. As indicated in the Chairman's Statement, the Board has agreed that any treasury shares remaining on 17 July 2013, the date of the Annual General Meeting, will be cancelled. A total of 2,941,518 shares held in treasury were cancelled on 17 July 2012. During the year to date all of the 378,408 shares bought back into treasury since the 2012 Annual General Meeting were reissued at prices representing no more than a 4.9% discount to the prevailing fully diluted cum income net asset value per share, raising £4,000,000 of new funds for the Company.

No Subscription Shares were re-purchased for cancellation during the year.

PROSPECTS

The Company's Investment Manager continues to believe that the outlook for the healthcare sector is positive and that there is potential for continued outperformance of the wider markets over the long term.

INVESTMENT MANAGEMENT

Investment Management Agreement:

The Investment Manager receives a periodic fee equal to 0.65% p.a. of the Company's net asset value. The Investment Management Agreement may be terminated by either party giving notice of not less than 12 months. The Investment Manager under the terms of the agreement provides, *inter alia*, the following services:

- seeking out and evaluating investment opportunities;
- recommending the manner by which monies should be invested, disinvested, retained or realised;
- advising on how rights conferred by the investments should be exercised;
- analysing the performance of investments made; and
- advising the Company in relation to trends, market movements and other matters which may affect the investment policy of the Company.

MANAGEMENT

Company Management, Company Secretarial and Administrative Services Agreement:

The Manager, receives a periodic fee equal to 0.30% per annum of the Company's market capitalisation up to £150 million, 0.20% per annum of the market capitalisation in excess of

Report of the Directors (continued)

Incorporating the Business Review

£150 million and up to £500 million, and 0.125% per annum of the market capitalisation in excess of £500 million, plus a fixed amount equal to £57,500 per annum.

The notice period on the Company Management, Company Secretarial and Administration Agreement with Frostrow is 12 months, termination can be initiated by either party.

The Manager, under the terms of the agreement provides, *inter alia*, the following services:

- marketing and shareholder services;
- administrative services;
- advice and guidance in respect of corporate governance requirements;
- maintaining the books of account and record in respect of Company dealing, investments, transactions, dividends and other income, the income account, balance sheet and cash books and statements;
- preparation and despatch of the audited annual and unaudited interim report and accounts and interim management statements; and
- attending to general tax affairs where necessary.

Performance Fee:

Dependent on the level of long term outperformance of the Company, the Investment Manager and the Manager are entitled to the payment of a performance fee. The performance fee is calculated by reference to the amount by which the Company's net asset value ('NAV') performance has outperformed the benchmark index. (See page 1 for details of the benchmark).

The fee is calculated quarterly by comparing the cumulative performance of the Company's NAV with the cumulative performance of the benchmark since the launch of the Company in 1995. The performance fee amounts to 16.5% of any outperformance over the benchmark, the investment manager receiving 15% and the manager receiving 1.5% respectively. Provision is also made within the daily NAV per share calculation as required and in accordance with generally accepted accounting standards.

In order to ensure that only sustained outperformance is rewarded, at each quarterly calculation date any performance fee is based on the lower of:

i) The cumulative out-performance of the investment portfolio over the benchmark as at the quarter end date; and
ii) The cumulative out-performance of the investment portfolio over the benchmark as at the corresponding quarter end date in the previous year.

In addition, a performance fee only becomes payable to the extent that the cumulative outperformance gives rise to a total fee greater than the total of all performance fees paid to date.

During the year performance fees totaling £643,000 crystallised (year ended 31 March 2012: £909,000) in relation to maintained outperformance of which £268,000 was payable at 31 March 2013 (see note 3 on page 48 for further details).

CONTINUING APPOINTMENT OF THE MANAGER AND INVESTMENT MANAGER

The Board has concluded that it is in shareholders' interests that the Manager and the Investment Manager continue in their roles. The review undertaken by the Board considered the Company's investment performance over both the short and longer terms, together with the quality and adequacy of other services provided. The Board also reviewed the appropriateness of the terms of the Investment Management and Management Agreements, in particular the length of notice period and the fee structures.

GOING CONCERN

The Company's business activities together with the factors likely to affect its future development, performance and position are set out in the Report of the Directors on pages 19 to 28. The financial position of the Company, its liquidity position and its borrowing facility are set out in the notes to the financial statements beginning on page 45. In addition, the Corporate Governance Report, the Financial Statements and the associated notes give details of the Company's objectives, policies and processes, its financial risk management objectives and its exposure to risks. The Company has considerable financial resources and a good spread of investments across different geographical areas. The majority of the Company's investments are listed on recognised stock exchanges and are readily realisable. Having considered the Company's prospects, the Directors believe that it is appropriate to adopt the going concern basis in preparing the financial statements as the assets of the Company consist mainly of securities that are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future.

CREDITORS PAYMENT POLICY

Terms of payment are negotiated with suppliers when agreeing settlement details for transactions. While the Company does not follow a formal code, it is the Company's continuing policy to pay amounts due to creditors as and when they become due. As at 31 March 2013, the Company did not have any trade creditors (2012: nil).

Report of the Directors (continued)

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CHARITABLE AND POLITICAL DONATIONS

The Company has not in the past and does not intend in future to make any charitable or political donations.

ENVIRONMENTAL AND ETHICAL POLICY

The Company's primary objective is to achieve a high level of capital growth by investment in pharmaceutical and biotechnology companies and the Board recognises that this should be done in an environmentally responsible way. The Directors support the action being taken by the major pharmaceutical companies to make products more affordable to patients in developing countries. The Directors believe that the Company would be in breach of its fiduciary duties to shareholders if investment decisions were based solely on ethical or environmental considerations. The Company encourages a positive approach to corporate governance and engagements with investee companies.

INDIVIDUAL SAVINGS ACCOUNTS

The Company's shares are eligible to be held in the stocks and shares component of an ISA or Junior ISA, subject to applicable annual subscription limits (£11,520 for an ISA and £3,600 for a Junior ISA for the 2013/2014 tax year). Investments held in ISAs or Junior ISAs will be free of UK tax on both capital gains and income. The opportunity to invest in Ordinary Shares through an ISA is restricted to certain UK resident individuals aged 18 or over. Junior ISAs are available for UK resident children aged under 18 and born before 1 September 2002 or after 2 January 2011. Sums received by a shareholder on a disposal of Ordinary Shares held within an ISA or Junior ISA will not count towards the shareholder's annual limit. Individuals wishing to invest in Ordinary Shares through an ISA should contact their professional advisers regarding their eligibility as should individuals wishing to invest through a Junior ISA for children under 18 years old.

DIRECTORS

The Directors of the Company, all of whom served throughout the year, except as noted, are all non-executive and are listed below. Their biographies can be found on page 18.

Sir Martin Smith *(Chairman)*
Sarah Bates (appointed on 22 May 2013)
Jo Dixon
Professor Duncan Geddes (retired on 17 July 2012)
Dr David Holbrook
Samuel D. Isaly
Doug McCutcheon (appointed on 7 November 2012)
Anthony Townsend

DIRECTORS' INTERESTS

The beneficial interests of the Directors and their families in the Company were as set out below:

	Shares of 25p each		**Subscription Shares**	
	31 March 2013	**1 April 2012**	**31 March 2013**	**1 April 2012**
Sir Martin Smith	5,859	5,859	400	400
Sarah Bates (appointed 22 May 2013)	7,200	–	–	–
Jo Dixon	3,000	3,000	600	600
Dr David Holbrook	1,094	–	–	–
Samuel D. Isaly	353,600	353,600	720	100,720
Doug McCutcheon (appointed 7 November 2012)	15,000	–	–	–
Anthony Townsend	21,619	21,619	25,793	25,793

As at 6 June 2013 there had been no changes in the above details.

Samuel D. Isaly is a partner in OrbiMed Capital LLC which is party to the Investment Management Agreement with the Company and receives fees as described on pages 22 and 23. A number of the partners at OrbiMed Capital LLC have a minority financial interest totalling 20% in Frostrow Capital LLP, the Company's Manager.

Report of the Directors (continued)

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DIRECTORS' FEES

A report on Directors' Remuneration is set out on pages 37 and 38.

DIRECTORS' & OFFICERS' LIABILITY INSURANCE COVER

Directors' & officers' liability insurance cover was maintained by the Company during the year ended 31 March 2013. It is intended that this policy will continue for the year ending 31 March 2014 and subsequent years.

DIRECTORS' INDEMNITIES

As at the date of this report, indemnities are in force between the Company and each of its Directors under which the Company has agreed to indemnify each Director, to the extent permitted by law, in respect of certain liabilities incurred as a result of carrying out his or her role as a Director of the Company. The Directors are also indemnified against the costs of defending any criminal or civil proceedings or any claim by the Company or a regulator as they are incurred provided that where the defence is unsuccessful the Director must repay those defence costs to the Company. The indemnities are qualifying third party indemnity provisions for the purposes of the Companies Act 2006.

A copy of each deed of indemnity is available for inspection at the Company's registered office during normal business hours and will be available for inspection at the Annual General Meeting.

SUBSTANTIAL SHARE INTERESTS

The Company was aware of the following substantial interests in the voting rights of the Company:

Beneficial shareholder	30 April 2013* Number of shares	30 April 2013* % of issued share capital	31 March 2013 Number of shares	31 March 2013 % of issued share capital
Investec Wealth & Investment	4,315,131	9.43	4,216,604	9.21
Alliance Trust Savings	2,401,636	5.25	2,370,495	5.18
Smith & Williamson	2,069,159	4.52	2,113,833	4.62
Brewin Dolphin	2,020,827	4.42	2,058,011	4.49
Henderson Global Investors	1,944,188	4.25	2,149,188	4.70
Charles Stanley, Stockbrokers	1,820,180	3.98	1,783,132	3.90
Newton Investment Management	1,728,842	3.78	1,764,947	3.86
Speirs & Jeffrey, Stockbrokers	1,507,516	3.39	1,537,031	3.36
Legal & General Investment Management	1,446,387	3.16	1,446,387	3.16

As at 31 March 2013 the Company had 45,434,746 shares in issue. As at 30 April 2013 the Company had 45,504,746 shares in issue.

*30 April being the latest practicable date before publication of the Annual Report.

INDEPENDENT AUDITORS

Ernst & Young LLP have indicated their willingness to continue to act as Independent Auditors to the Company and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

Ernst & Young LLP have been in post for over 18 years and the Board, after consideration, has agreed that a tender process for the post of Auditor to the Company should take place in early 2014. As part of its deliberations, the Board has noted that the audit partners responsible for the audit are rotated at least every five years, in accordance with professional and regulatory standards, in order to protect independence and objectivity and also to provide fresh challenge to the business, but the Board still believes that the holding of a tender process is appropriate. The results of the tender will be published in next year's Annual Report and Accounts and will be voted on by shareholders at next year's Annual General Meeting.

AUDIT INFORMATION

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are aware, there is no relevant audit information of which the Auditors are unaware; and that each Director has taken all steps they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the auditors are aware of such information.

Report of the Directors (continued)

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SECTION 992 OF THE COMPANIES ACT 2006

The following disclosures are made in accordance with Section 992 of the Companies Act 2006.

Capital Structure

The Company's capital structure is summarised in note 13 on page 52.

Voting Rights in the Company's shares

Details of the voting rights in the Company's shares at the date of this Annual Report are given in note 9 to the Notice of Annual General Meeting on page 66.

CORPORATE GOVERNANCE

A formal statement on Corporate Governance, which forms part of this Report of the Directors, is set out on pages 30 to 35.

BENEFICIAL OWNERS OF SHARES – INFORMATION RIGHTS

Beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares rather than to the Company's registrar, Capita Registrars, or to the Company directly.

NOTICE PERIOD FOR GENERAL MEETINGS

Recent amendments made to the Company's Articles of Association included a provision allowing general meetings of the Company to be called on the minimum notice period provided for in the Companies Act 2006. For meetings other than annual general meetings this is currently a period of 14 clear days.

A Special Resolution was passed by shareholders at last year's Annual General Meeting approving this. The Board is proposing Resolution 15 as a Special Resolution to renew this approval for a further year. The notice period for annual general meetings will remain 21 clear days.

ANNUAL GENERAL MEETING

The formal Notice of Annual General Meeting is set out on pages 62 to 67 of this Annual Report.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting:

Issue of Shares

Ordinary Resolution 10 in the Notice of Annual General Meeting gives authority to the Directors to allot the unissued share capital up to an aggregate nominal amount of £1,145,323 (equivalent to 4,581,291 shares, or 10% of the Company's existing issued share capital on 6 June 2013, being the nearest practicable date prior to the signing of this Report). Such authority will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of the passing of the resolution, whichever is earlier. This means that the authority will be renewed at the next Annual General Meeting.

When shares are to be allotted for cash, Section 551 of the Companies Act 2006 (the "Act") provides that existing shareholders have pre-emption rights and that the new shares must be offered first to such shareholders in proportion to their existing holding of shares. However, shareholders can, by special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing shareholders. Special Resolution 11 will, if passed, give the Directors power to allot for cash equity securities up to 10% of the Company's existing share capital on 6 June 2013 (reduced by any treasury shares sold by the Company pursuant to Special Resolution 12, as described below), as if Section 551 of the Act does not apply. This is the same nominal amount of share capital which the Directors are seeking the authority to allot pursuant to Resolution 11. This authority will also expire on the date of the next Annual General Meeting or after a period of 15 months, whichever is earlier. This authority will not be used in connection with a rights issue by the Company.

Under the Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (as amended) (the "Treasury Share Regulations") the Company is permitted to buy back and hold shares in treasury and then sell them at a later date for cash, rather than cancelling them. The Treasury Share Regulations require such sale to be on a pre-emptive, pro rata, basis to existing shareholders unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued share capital on a non pre-emptive basis pursuant to Resolution 11, Resolution 12, if passed, will give the Directors authority to sell shares held in treasury on a non pre-emptive basis. No dividends may be paid on any shares held in treasury and no voting rights will attach to such shares. The benefit of the ability to hold treasury shares is that such shares may be resold. This should give the Company greater flexibility in

Report of the Directors (continued)

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managing its share capital, and improve liquidity in its shares. It is the intention of the Board that any re-sale of treasury shares would only take place at a narrower discount to the net asset value per share than that at which they had been bought into treasury, and in any event at a discount no greater than 5% to the prevailing net asset value per share, and this is reflected in the text of Resolution 12. It is also the intention of the Board that sales from treasury would only take place when the Board believes that to do so would assist in the provision of liquidity to the market. The number of treasury shares which may be sold pursuant to this authority is limited to 10% of the Company's existing share capital on 6 June 2013 (reduced by any equity securities allotted for cash on a non-pro rata basis pursuant to Resolution 11, as described above). This authority will also expire on the date of the next Annual General Meeting or after a period of 15 months, whichever is earlier.

The Directors intend to use the authority given by Resolutions 10, 11 and 12 to allot shares and disapply pre-emption rights only in circumstances where this will be clearly beneficial to shareholders as a whole. The issue proceeds would be available for investment in line with the Company's investment policy. No issue of shares will be made which would effectively alter the control of the Company without the prior approval of shareholders in General Meeting.

Authority for the Company to purchase its own shares

The Company's Articles of Association permit the purchase by the Company of its own Ordinary and Subscription shares subject to shareholders' prior approval being obtained. Resolutions 13 and 14, if passed, would authorise the Company to buy back up to 6,867,356 Ordinary shares and 350,791 Subscription shares, which represents approximately 14.99% of the Company's issued ordinary share capital (excluding shares held in treasury) and 14.99% of the Company's Subscription shares as at 6 June 2013 respectively. If given, these authorities will expire at the conclusion of the next Annual General Meeting of the Company after the passing of the resolution or, if earlier, 15 months from the date of the passing of the resolution. The Directors intend to seek a renewal of such powers at each Annual General Meeting.

The resolutions specify the maximum and minimum prices at which shares may be bought, reflecting the requirements of the Companies Act 2006 and the Listing Rules. Any buy back would only be made on the London Stock Exchange.

Any purchases of Ordinary shares will be made within guidelines established from time to time by the Directors, but they will only exercise the authority if, in their opinion, it would be in the interests of the Company to do so and would result in an increase in net asset value per Ordinary share for the remaining shareholders and if it is in the best interests of shareholders generally. Such purchases will only be made at prices below the prevailing net asset value per Ordinary share and within the price constraints set out in paragraphs (b) and (c) of the resolution.

Under the Companies Act 2006, the Company is allowed to hold its own Ordinary shares in treasury following a buy back, instead of cancelling them. This gives the Company the ability to re-issue treasury shares quickly and cost-effectively and provides the Company with additional flexibility in the management of its capital base. Shares held in treasury may be resold for cash but all rights attaching to them including voting rights and any right to receive dividends, are suspended while they are held in treasury. If the Directors exercise the authority conferred by resolution 13, the Company will have the option of either holding in treasury or of cancelling any of its own shares purchased pursuant to the authority and will decide at the time of purchase which option to pursue. The Directors will have regard to any guidelines issued by investor groups at the time of any such purchase, holding or re-sale of treasury shares.

Purchases of Subscription shares will only be made through the market at prices where the Directors believe such purchases will enhance Ordinary shareholder value and within the price constraints set out in paragraphs (b) and (c) of the resolution. Any Subscription shares repurchased by the Company will be cancelled and will not be held in treasury for reissue or resale.

General Meetings

Special Resolution 15 seeks shareholder approval for the Company to hold General Meetings (other than Annual General Meetings) at 14 clear days' notice.

The authorities being sought under Resolutions 10, 11, 12, 13, 14 and 15 will last until the conclusion of the next Annual General Meeting or, if less, a period of 15 months.

Amendment to Articles of Association

It is proposed to make certain changes to the Company's Articles of Association in order to (i) take advantage of HM

Report of the Directors (continued)

Incorporating the Business Review

Government's reform of the tax and company law rules affecting investment trusts by removing the prohibition on distributing capital profits, which the Company is no longer required to include (the Board is, however, not currently proposing any change to the Company's dividend policy); (ii) remove the upper limit of the Company's share capital, which is no longer required pursuant to the Companies Act 2006; (iii) delete provisions that were formerly contained within the Company's memorandum of association; (iv) clarify the procedure for dealing with Subscription Shares, once the Subscription Share Rights attaching to them have lapsed; and (v) make other technical amendments so that the Articles of Association conform to the Companies Act 2006 and other legislation applicable to companies in its current form and current best practice. Accordingly, Special Resolution 16 will be put to the Annual General Meeting to be held on 17 July 2013. Details of the changes are set out on page 61 of this Annual Report.

Subscription Shareholder Class Meeting

As the proposed amendments to the Company's Articles of Association vary the rights attached to the Subscription Shares, the passing of Special Resolution 16 at the Annual General Meeting is conditional on the approval of the Subscription Shareholders in a separate class meeting. If adopted, the new Articles of Association will not affect the rights attached to the Ordinary Shares, and therefore a separate class meeting of the Ordinary Shareholders is not necessary and will not be held. Only Subscription Shareholders are entitled to attend and vote at this class meeting. The notice of the Subscription Shareholder class meeting, which will be held at 12.20pm on 17 July 2013 or as soon as the Annual General Meeting of the Company convened for 12 noon on the same day has concluded or been adjourned, may be found on pages 68 and 69.

The quorum for the Class Meeting is not less than two persons present (in person or by proxy) holding at least one-third of the nominal amount paid up on the Subscription Shares in issue. If a quorum is not present at the time and place for which the class Meeting has been convened, the Class Meeting will be adjourned until Monday, 29 July 2013 when one person holding Subscription Shares (whatever the number of shares held) who is present in person or by proxy will constitute a quorum.

Recommendation

The Board considers that the resolutions set out above are, in the Board's opinion, in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends to shareholders that they vote in favour of the above resolutions to be proposed at the forthcoming Annual General Meeting as the Directors intend to do in respect of their own beneficial holdings totaling 407,372 Shares.

By order of the Board
Frostrow Capital LLP
Company Secretary
6 June 2013

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law in the United Kingdom requires the Directors to prepare financial statements for each financial year. Under this law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, (United Kingdom standards and applicable law). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit and loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and applied them consistently;
- make judgments and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulation, the Directors are also responsible for preparing a Report of the Directors, including a formal statement on Corporate Governance and a Directors' Remuneration Report that comply with such law and regulations.

The financial statements are published on the Company's website (website address: www.worldwidewh.com), which is a website maintained by the Manager. The maintenance and integrity of the website is, so far as it relates to the Company, the responsibility of the Manager. The work carried out by the Auditors does not involve consideration of the maintenance and integrity of this website and accordingly, the Auditors accept no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

The Directors, whose details can be found on page 18, each confirm that to the best of their knowledge the financial statements, within the Annual Report, have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and the profit for the year ended 31 March 2013, and that the Chairman's Statement, Review of Investments and the Report of the Directors include a fair review of the information required by 4.1.8R to 4.1.11R of the FSAs Disclosure and Transparency Rules.

On behalf of the Board
Sir Martin Smith
Chairman
6 June 2013

Corporate Governance

This Corporate Governance Statement forms part of the Report of the Directors.

COMPLIANCE

The Board has considered the principles and recommendations of the Association of Investment Companies ("AIC") Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide"), both of which can be found on the AIC website www.theaic.co.uk. The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code (the "UK Governance Code") as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company. The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Governance Code), provides better information to shareholders. A copy of the UK Governance Code can be found at www.frc.org.uk.

The Board has noted the recommendations of the UK Corporate Governance Code published in October 2012 (applicable for financial years beginning after 1 October 2012) and will duly report on these recommendations in the Company's 2014 Annual Report.

The Board considers that it has managed its affairs throughout the year ended 31 March 2013 in compliance with the recommendations of the AIC Code and the relevant provisions of the UK Governance Code, except as set out below:

- the role of the chief executive;
- executive directors' remuneration;
- the need for an internal audit function; and
- the Chairman of the Company acting as Chairman of the Management Engagement and Remuneration Committee.

For the reasons set out in the AIC Guide, and in the preamble to the AIC Code, the Board considers the first three provisions mentioned above are not relevant to the position of the Company, being an externally managed investment trust. The Company has therefore not reported further in respect of these provisions. With regard to the Chairman of the Company acting as the Chairman of the Management Engagement and Remuneration Committee, the Board considers this to be appropriate in light of the remit of the Committee. Further details covering the Committee can be found on page 32.

In view of its non-executive nature, the Board considers that it is not appropriate for the Directors to be appointed for a specified term as recommended by provision B.7.1 of the UK Corporate Governance Code and principle 3 of the AIC Code. The Board has agreed that all Directors of the Company will seek re-election annually. Mr Anthony Townsend, however, will not be seeking re-election at this years' Annual General Meeting.

INTERNAL AUDIT

As the Company delegates its day-to-day operations to third parties and has no employees, the Board has determined that there are no requirements for an internal audit function. The Board reviews annually whether a function equivalent to an internal audit is needed and it will continue to monitor its systems of internal controls in order to provide assurance that they operate as intended.

BOARD INDEPENDENCE, COMPOSITION AND TENURE

Sir Martin Smith as Chairman is responsible for leadership of the Board and for ensuring its effectiveness in all aspects of its role, currently consists of seven non-executive Directors. The Directors' biographical details, set out on page 18, demonstrate a breadth of investment, commercial and professional experience. Mr Anthony Townsend has been designated as the Senior Independent Director who can act as a sounding board for the Chairman and also acts as an intermediary for the other Directors when necessary. Mr Townsend will not be seeking re-election at this year's Annual General Meeting. He will be succeeded as the Senior Independent Director by Jo Dixon. The Directors review their independence annually.

Samuel D. Isaly is Managing Partner of OrbiMed, the Company's Investment Manager, and has also served on the Board for over nine years. Mr Isaly is therefore not considered to be an Independent Director. Ms Jo Dixon and Mr Townsend have also served on the Board for nine years. The Board subscribes to the view expressed within the AIC Code that long-serving Directors should not be prevented from forming part of an independent majority. It does not consider that a Director's tenure necessarily reduces his or her ability to act independently and, following formal performance evaluations, believes that, with the exception of Samuel D. Isaly, each of the Directors is independent in character and judgment and that there are no relationships or circumstances which are likely to effect their judgment. Sir Martin Smith and Dr David Holbrook joined the Board in 2007 and are both considered by the Board to be independent. The Board has

Corporate Governance (continued)

considered the position of Ms Dixon, Sir Martin Smith, Mr Isaly and Dr Holbrook as part of the evaluation process, and believes that it would be in the Company's best interests to propose them for re-election at the forthcoming Annual General Meeting. Mrs Sarah Bates and Mr Doug McCutcheon were appointed directors with effect from 22 May 2013 and 7 November 2012 respectively and they will be seeking election at this year's Annual General Meeting. They are both considered to be independent by the Board. In line with the Company's strong commitment to its corporate governance responsibilities, the Board regularly reviews its performance and composition to ensure it has the correct mix of relevant skills and experience for the good conduct of the Company's business. As part of this process the Board has agreed a programme of refreshment, which will see its membership change as current Directors retire in an orderly manner, and new Directors are appointed.

None of the Directors has a service contract with the Company. New Directors are appointed with the expectation that they will serve for a minimum period of three years. Any Director may resign in writing to the Board at any time. The terms of their appointment are detailed in a letter sent to them when they join the Board. These letters are available for inspection at the offices of the Company's Manager and will be available at the Annual General Meeting. When a new Director is appointed to the Board, they are provided with all relevant information regarding the Company and their duties and responsibilities as a Director. In addition, a new Director will also spend time with representatives of the Manager and Investment Manager in order to learn more about their processes and procedures. The Chairman also regularly reviews the training and development needs of each Director. The Board receives regular briefings from, amongst others, the Auditors and the Company Secretary regarding any proposed developments or changes in laws or regulations that could affect the Company and/or the Directors.

THE BOARD'S RESPONSIBILITIES

The Board is responsible for efficient and effective leadership of the Company and regularly reviews the schedule of matters reserved for its decision. The Board meets at least on a quarterly basis and at other times as necessary. The Board is responsible for all aspects of the Company's affairs, including the setting of parameters for and the monitoring of investment strategy, the review of investment performance (including peer group performance) and investment policy. It also has responsibility for all corporate strategy issues, dividend policy, share issuance and buy-back policy, gearing, share price and discount/premium monitoring and corporate governance matters. To enable them to discharge their responsibilities, prior to each meeting the Directors are provided, in a timely manner, with a comprehensive set of papers giving detailed information on the Company's transactions, financial position and performance. Representatives of the Manager and Investment Manager attend each Board meeting, enabling the Directors to seek clarification on specific issues or to probe further on matters of concern; a full written report is also received from the Manager and Investment Manager at each quarterly meeting. In light of these reports, the Board gives direction to the Investment Manager with regard to the Company's investment objectives and guidelines. Within these established guidelines, the Investment Manager takes decisions as to the purchase and sale of individual investments.

There is an agreed procedure for Directors, in the furtherance of their duties, to take independent professional advice, if necessary, at the Company's expense. The Directors have access to the advice and services of the Company Secretary, through its appointed representative, who is responsible to the Board for ensuring that Board procedures are followed.

BOARD EVALUATION

During the year under review, the performance of the Board, Committees and individual Directors was evaluated through a formal assessment process led by Mr Anthony Townsend, as the Senior Independent Director. The review concluded that the Board worked in a collegiate, efficient and effective manner. The results of the external independent evaluation process, conducted by Board Alpha, were presented to and discussed by the Board in March 2012 and, as a result, it was agreed that the current Directors contributed effectively and that all had the skills and experience which are relevant to the leadership and direction of the Company. It has been agreed that an external independent evaluation of the Board will be held every three years.

CONFLICT OF INTEREST

It is a statutory requirement that a Director must avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the

Corporate Governance (continued)

Company's interests (a "situational conflict"). The Company's Articles of Association have been amended to give the Directors authority to approve such situations, where appropriate.

It is the responsibility of each individual Director to avoid an unauthorised conflict situation arising. He or she must request authorisation from the Board as soon as he or she becomes aware of the possibility of a situational conflict arising.

The Board is responsible for considering Directors' requests for authorisation of situational conflicts and for deciding whether they should be authorised. The factors to be considered will include whether the situational conflict could prevent the Director from performing his or her duties, whether it has, or could have, any impact on the Company and whether it could be regarded as likely to affect the judgment and/or actions of the Director in question. When the Board is deciding whether to authorise a conflict or potential conflict, only Directors who have no interest in the matter being considered are able to take the relevant decision, and in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate in the circumstances.

A register of conflicts is maintained by the Company Secretary and is reviewed at quarterly Board meetings, to ensure that any authorised conflicts remain appropriate. Directors are required to confirm at these meetings whether there has been any change to their position.

The Directors must also comply with the statutory rules requiring company directors to declare any interest in an actual or proposed transaction or arrangement with the Company.

COMMITTEES OF THE BOARD

During the year the Board delegated certain responsibilities and functions to committees. Copies of the full terms of reference, which clearly define the responsibilities of each Committee, can be obtained from the Company Secretary, will be available for inspection at the Annual General Meeting, and can be found at the Company's website at www.worldwidewh.com. The membership of the Company's committees comprises those Directors considered independent by the Board. The Nominations Committee is chaired by Anthony Townsend, the Management Engagement and Remuneration Committee by the Chairman of the Company, Sir Martin Smith, and the Audit Committee by Jo Dixon.

The table overleaf details the number of Board and Committee meetings attended by each Director. During the year there were four Board meetings, two Audit Committee meetings, one meeting of the Nominations Committee and one meeting of the Management Engagement and Remuneration Committee.

NOMINATIONS COMMITTEE

The Nominations Committee is responsible for the Board appraisal process and for making recommendations to the Board on the appointment of new Directors. Where appropriate, each Director is invited to submit nominations and external advisers may be used to identify potential candidates.

MANAGEMENT ENGAGEMENT AND REMUNERATION COMMITTEE

The level of Directors' fees is reviewed on a regular basis relative to other comparable investment companies and in the light of Directors' responsibilities. Neither the Chairman nor individual Directors participate in discussions involving personal remuneration. Details of the fees paid to the Directors in the year under review are detailed in the Directors' Remuneration Report on pages 37 and 38.

This committee also reviews the terms of engagement of the Investment Manager, the Manager and the Company's other service providers.

Corporate Governance (continued)

MEETING ATTENDANCE

The number of meetings held during the year of the Board and its Committees, and each Director's attendance level, is shown below:

Type and number of meetings held in 2012/13	**Board (4)**	**Audit Committee (2)**	**Nominations Committee (1)**	**Management Engagement and Remuneration Committee (1)**
Sir Martin Smith†	4	2	1	1
Sarah Bates *(appointed on 22 May 2013)*	–	–	–	–
Jo Dixon	4	2	1	1
Professor Duncan Geddes *(retired on 17 July 2012)*	1	0	–	–
Dr David Holbrook	4	2	1	1
Samuel D. Isaly*	4	–	–	–
Doug McCutcheon *(appointed on 7 November 2012)*	2	1	1	1
Anthony Townsend	4	2	1	1

All of the serving Directors attended the Annual General Meeting held on 17 July 2012.

†Sir Martin Smith was appointed as a member of the Audit Committee on 17 July 2012.

*Mr Isaly is not a member of the Audit, Management Engagement & Remuneration and Nominations Committees.

AUDIT COMMITTEE

The Audit Committee meets at least twice a year and is responsible for the review of the interim and annual financial statements, the nature and scope of the external audit and the findings therefrom and the terms of appointment of the Auditors, including their remuneration and the provision of any non-audit services by them.

The Audit Committee meets representatives of the Manager and Investment Manager and their Compliance Officers who report as to the proper conduct of business in accordance with the regulatory environment in which the Company, Manager and Investment Manager operate. The Company's external Auditors also attend meetings of this Committee at its request and report on their work procedures and their findings in relation to the Company's statutory audit. They also have the opportunity to meet with the Committee without representatives of the Manager or the Investment Manager being present. The Audit Committee reviews the need for non-audit services to be provided by the auditor and authorises such on a case by case basis, having consideration to the cost effectiveness of the services and the independence and objectivity of the Auditors. Non-audit fees of £8,000 were paid to Ernst & Young LLP during the year for agreed upon procedures in relation to the Company's option positions, performance fee review and tax services. The Board has concluded, on the recommendation of the Audit Committee, that the Auditors continued to be independent and that their reappointment be proposed at the Annual General Meeting.

THE BRIBERY ACT 2010

The Board has adopted a zero tolerance approach to instances of bribery and corruption. Accordingly it expressly prohibits any Director or associated persons when acting on behalf of the Company, from accepting, soliciting, paying, offering or promising to pay or authorise any payment, public or private in the UK or abroad to secure any improper benefit for themselves or for the Company.

The Board applies the same Standards to its service providers in their activities for the Company.

A copy of the Company's Anti Bribery and Corruption Policy can be found on its website at www.worldwidewh.com.

BOARD DIVERSITY

The Company welcomes the objectives of the Davies Report to improve the performance of Corporate boards by encouraging the appointment of the best people from a range of differing perspectives and backgrounds. The Company recognises the benefits of diversity on the board, including gender, and takes this into account in its board appointments. The Company is committed to ensuring that any Director search processes actively seek persons with the right qualifications so that appointments can be made, on the basis of merit, against objective criteria from a diverse selection of candidates. To this end the Board will continue to dedicate time to consider diversity during any director search process.

Corporate Governance (continued)

INTERNAL CONTROLS

The Directors are responsible for the Company's system of internal control which is designed to safeguard the Company's assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable. However, such a system can only be designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can only provide reasonable, but not absolute, assurance against fraud, material misstatement or loss.

Risk assessment and the review of internal controls are undertaken by the Board in the context of the Company's overall investment objective. The review covers the key business, operational, compliance and financial risks facing the Company. In arriving at its judgment of what risks the Company faces, the Board has considered the Company's operations in the light of the following factors:

- the nature and extent of risks which it regards as acceptable for the Company to bear within its overall business objective;
- the threat of such risks becoming a reality; and
- the Company's ability to reduce the incidence and impact of risk on its performance.

Against this background, the Board has split the review of risk and associated controls into five sections reflecting the nature of the risks being addressed. These sections are as follows:

- corporate strategy;
- investment activity;
- published information, compliance with laws and regulations;
- service providers; and
- financial activity.

The Company has appointed Frostrow Capital LLP to provide Company management, Company secretarial and administrative services to the Company. The Company has obtained from its various service providers assurances and information relating to their internal systems and controls to enable the Board to make an appropriate risk and control assessment, including the following:

- details of the control environment in operation;
- identification and evaluation of risks and control objectives;
- review of communication methods and procedures; and
- assessment of the control procedures.

The key procedures which have been established to provide internal financial controls are as follows:

- investment management is provided by OrbiMed Capital LLC. The Board is responsible for setting the overall investment policy and monitors the actions of the Investment Manager at regular Board meeting;
- administration, company secretarial and marketing duties for the Company are performed by Frostrow Capital LLP;
- custody of assets is undertaken by Goldman Sachs & Co. New York;
- the Board clearly defines the duties and responsibilities of their agents and advisers. The appointment of agents and advisers to the Company is conducted by the Board after consideration of the quality of the parties involved; the Board monitors their ongoing performance and contractual arrangements;
- mandates for authorisation of investment transactions and expense payments are set by the Board; and
- the Board reviews financial information produced by the Investment Manager and the Manager in detail on a regular basis.

All of the Company's management functions are performed by third parties whose internal controls are reviewed by the Board or on its behalf by Frostrow Capital LLP.

In accordance with guidance issued to directors of listed companies, ("the Turnbull Guidance") the Directors confirm that they have carried out a review of the effectiveness of the system of internal financial control during the year and up to the date of approval of the financial statements, as set out above.

RELATIONS WITH SHAREHOLDERS

The Board reviews the shareholder register at each Board meeting. The Company has regular contact with its institutional shareholders particularly through the Manager. The Board supports the principle that the Annual General Meeting be used to communicate with private investors. The full Board attends the Annual General Meeting under the Chairmanship of the Chairman

Corporate Governance (continued)

of the Board. Details of proxy votes received in respect of each resolution are made available to shareholders at the meeting and are also published on the Company's website at www.worldwidewh.com. Representatives from the Investment Manager attend the Annual General Meeting and give a presentation on investment matters to those present. The Company has adopted a nominee share code which is set out below.

The Board receives marketing and public relations reports from the Manager to whom the marketing function has been delegated. The Board reviews and considers the marketing plans of the Manager on a regular basis.

The annual and interim financial reports, the interim management statements and a monthly fact sheet are available to all shareholders. The Board considers the format of the annual and interim financial reports so as to ensure they are useful to all shareholders and others taking an interest in the Company. In accordance with best practice, the annual report, including the Notice of the Annual General Meeting, is sent to shareholders at least 20 working days before the meeting. Separate resolutions are proposed for substantive issues.

EXERCISE OF VOTING POWERS

The Board has delegated authority to the Investment Manager to vote the shares owned by the Company that are held on its behalf by its custodian, Goldman Sachs & Co. New York. The Board has instructed that the Investment Manager submit votes for such shares wherever possible. This accords with current best practice whilst maintaining a primary focus on financial returns. The Investment Manager may refer to the Board on any matters of a contentious nature. The Company does not retain voting rights on any shares that are subject to rehypothecation in connection with the loan facility provided by Goldman Sachs & Co. New York.

ACCOUNTABILITY AND AUDIT

The Statement of Directors' Responsibilities in respect of the financial statements is set out on page 29. The report of the Auditors is set out on pages 39 and 40. The Board has delegated to external agencies, including the Manager and the Investment Manager, the management of the portfolio, custodial services (which includes the safeguarding of the Company's assets), the day to day marketing, accounting administration, company secretarial requirements and registration services. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of the services offered, including the control systems in operation in so far as they relate to the affairs of the Company. The Board receives and considers regular reports from the Manager and the Investment Manager and *ad hoc* reports and information are supplied to the Board as required.

NOMINEE SHARE CODE

Where shares are held in a nominee company name, the Company undertakes:

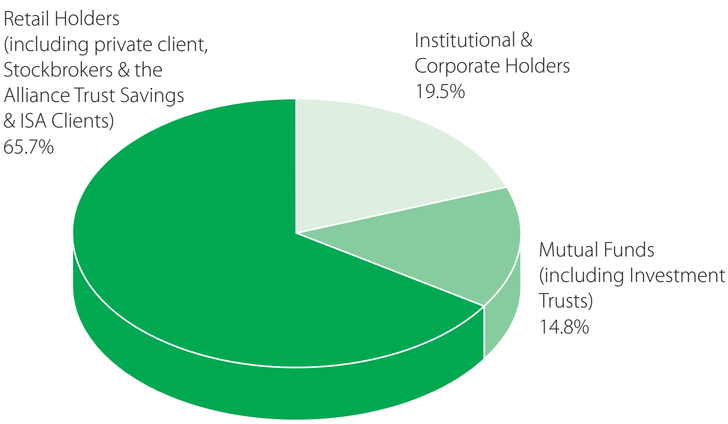
- to provide the nominee company with multiple copies of shareholder communications, so long as an indication of quantities has been provided in advance;
- to allow investors holding shares through a nominee company to attend general meetings, provided the correct authority from the nominee company is available; and
- that investors in the Alliance Trust Savings Scheme or ISA are automatically sent shareholder communications, including details of general meetings, together with a form of direction to facilitate voting and to seek authority to attend.

Nominee companies are encouraged to provide the necessary authority to underlying shareholders to attend the Company's general meetings.

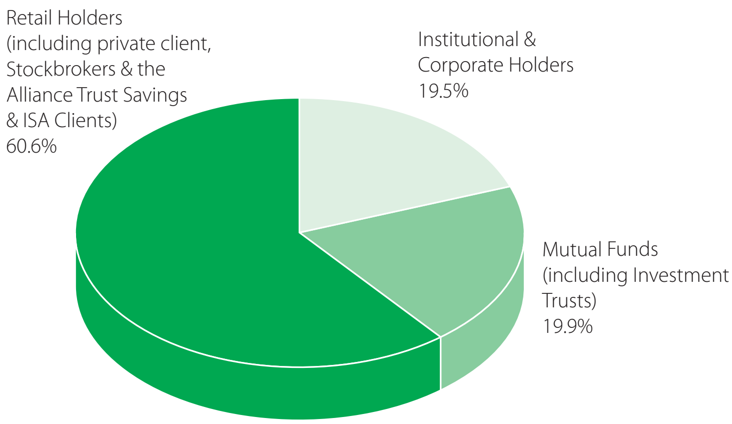
Shareholder Analysis

% of shares held on 31 March

2013



2012



Directors' Remuneration Report

The Board has prepared this report in accordance with the requirements of Section 420 to 422 of the Companies Act 2006. An ordinary resolution for the approval of this report will be put to the members at the forthcoming Annual General Meeting.

The law requires the Company's auditors to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditors' opinion is included in their report on pages 39 and 40.

MANAGEMENT ENGAGEMENT AND REMUNERATION COMMITTEE

The Company has seven non-executive Directors, six of whom are considered by the Board to be independent. The whole Board, with the exception of Mr Isaly, fulfills the function of the Management Engagement and Remuneration Committee. The Board may utilise the services of the Company Secretary or external advisers to provide advice when the Directors consider the level of Directors' fees.

The Directors' fees are reviewed annually by the Management Engagement and Remuneration Committee and such review will not necessarily result in a change to the rates paid. During the year, the Management Engagement and Remuneration Committee carried out a review of the level of Directors' fees in relation both to fees paid to the boards of other investment trust companies and also to the Board's corporate governance obligations. The Board decided, on the advice of the Management Engagement and Remuneration Committee, that the fees paid to the Directors should be increased with effect from 1 April 2013. The revised fee levels are set out on page 38.

POLICY ON DIRECTORS' FEES

The Board's policy is that the remuneration of Directors should reflect the experience of the Board as a whole, be fair and comparable to that of other investment trusts that are similar in size, have a similar capital structure and have a similar investment objective. It is intended that this policy will continue for the year ending 31 March 2014 and subsequent years.

The fees for the Directors are determined within the limits set out in the Company's Articles of Association, the maximum aggregate amount currently being £200,000. Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. The policy is for the Chairman of the Board, Chairman of the Audit Committee and the Senior Independent Director to be paid higher fees than the other Directors to reflect their additional responsibilities.

DIRECTORS' SERVICE CONTRACTS

It is the Board's policy that none of the Directors has a service contract. The terms of their appointment provide that Directors shall retire and be subject to election at the first Annual General Meeting after their appointment and re-election annually thereafter. The terms also provide that a Director may resign by notice in writing to the Board at any time and may be removed without notice and that compensation will not be due on leaving office. Up until 31 March 2013 the Company's policy was for the Directors to be remunerated in the form of fees payable quarterly in arrears, to the Director personally or to a specified third party. With effect from 1 April 2013 Directors will be paid monthly in arrears in accordance with new legislation by HMRC.

YOUR COMPANY'S PERFORMANCE

The Regulations require a line graph be included in the Directors' Remuneration Report comparing, for a period of five years, on a cumulative basis, the total share price return (assuming all dividends are reinvested) to shareholders and the total shareholder return on a notional investment made up of shares of the same kind and number as those by reference to the Company's stated benchmark. With effect from 1 October 2010, the performance of the Company has been measured against the MSCI World Health Care Index on a net total return, sterling adjusted basis. Prior to this date, performance was measured against the Datastream World Pharmaceutical & Biotechnology Index (total return, sterling adjusted). Therefore, the benchmark return for the year ended 31 March 2013 represented in the graph overleaf consists of a blended figure containing both indices.

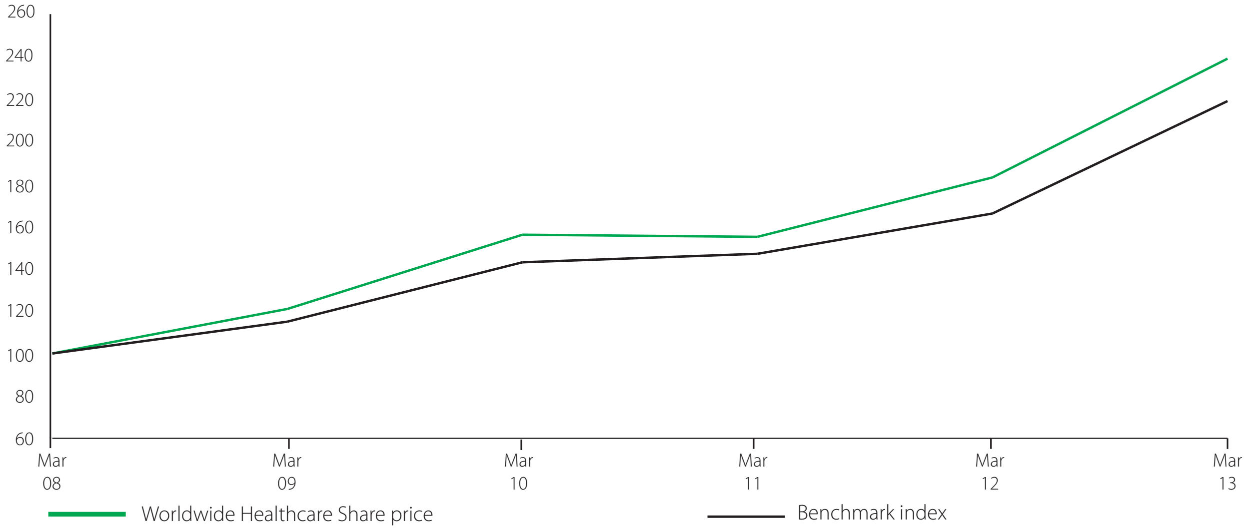
Directors' Remuneration Report (continued)

DIRECTORS' EMOLUMENTS FOR THE YEAR (AUDITED)

The Directors who served in the year received the following emoluments in the form of fees:

	Level of fees with effect from 1 April 2013 (unaudited) £'000	Fees 2013 £'000	Fees 2012 £'000
Martin Smith *(Chairman of the Board)*	39.2	38.0	36.5
Sarah Bates *(appointed 22 May 2013)*	24.8	–	–
Jo Dixon *(Chairman of the Audit Committee)*	27.9	27.0	26.0
Paul Gaunt *(retired on 7 July 2011)*	–	–	*8.0*
Professor Duncan Geddes *(retired on 17 July 2012)*	–	7.0	23.5
Dr David Holbrook	24.8	24.0	23.0
Samuel D. Isaly	24.8	24.0	23.0
Doug McCutcheon *(appointed on 7 November 2012)*	24.8	10.0	–
Anthony Townsend *(Senior Independent Director)*	25.3	24.0	23.0
		154.0	163.0

SHAREHOLDER TOTAL RETURN FOR THE FIVE YEARS TO 31 MARCH 2013



Rebased to 100 as at 31 March 2008
Source: Morningstar, Thomson Reuters and Bloomberg

APPROVAL

The Directors' Remuneration Report on pages 37 and 38 was approved by the Board of Directors on 6 June 2013 and signed on its behalf by:

Sir Martin Smith
Chairman

Independent Auditors' Report

to the Members of Worldwide Healthcare Trust PLC

We have audited the financial statements of Worldwide Healthcare Trust PLC for the year ended 31 March 2013 which comprise the Income Statement, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' Responsibilities Statement set out on page 29, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion:

- he tpart of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following: Under the Companies Act 2006 we are required to report to you if, in our opinion:

- dequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or

Independent Auditors' Report (continued)

- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review:

- the Directors' Statement, set out on page 23, in relation to going concern;
- the parts of the Corporate Governance Statement relating to the Company's Compliance with the nine provisions of the UK Corporate Governance Code specified for our review; and
- certain elements of the report of the shareholders by the Board on Directors' remuneration.

Amarjit Singh (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
6 June 2013

Income Statement

for the year ended 31 March 2013

	Notes	2013 Revenue £'000	2013 Capital £'000	2013 Total £'000	2012 Revenue £'000	2012 Capital £'000	2012 Total £'000
Gains on investments held at fair value through profit or loss	9	–	109,322	109,322	–	52,193	52,193
Exchange losses on currency balances		–	(2,322)	(2,322)	–	(535)	(535)
Income from investments held at fair value through profit or loss	2	9,614	–	9,614	11,653	–	11,653
Investment management, management and performance fees	3	(190)	(2,284)	(2,474)	(162)	(5,953)	(6,115)
Other expenses	4	(595)	–	(595)	(548)	–	(548)
Net return before finance charges and taxation		8,829	104,716	113,545	10,943	45,705	56,648
Finance costs	5	(9)	(177)	(186)	(14)	(272)	(286)
Net return before taxation		8,820	104,539	113,359	10,929	45,433	56,362
Taxation on net return on ordinary activities	6	(1,171)	18	(1,153)	(1,456)	406	(1,050)
Net return after taxation		7,649	104,557	112,206	9,473	45,839	55,312
Return per share – basic	7	17.1p	233.3p	250.4p	21.8p	105.7p	127.5p
Return per share – diluted	7	16.9p	231.1p	248.0p	21.4p	103.7p	125.1p

The "Total" column of this statement is the Income Statement of the Company. The "Revenue" and "Capital" columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

All revenue and capital items in the above statement derive from continuing operations.

The Company has no recognised gains and losses other than those disclosed in the Income Statement and Reconciliation of Movements in Shareholders' Funds. Accordingly no separate Statement of Total Recognised Gains and Losses has been presented.

No operations were acquired or discontinued in the year.

The accompanying notes are an integral part of this statement.

Reconciliation of Movements in Shareholders' Funds

For the year ended 31 March 2013

	Ordinary share capital £'000	Subscription share capital £'000	Share premium account £'000	Capital reserve £'000	Capital redemption reserve £'000	Revenue reserve £'000	Total £'000
At 31 March 2012	10,997	71	186,300	174,230	7,068	13,131	391,797
Net return from ordinary activities after taxation	–	–	–	104,557	–	7,649	112,206
Dividend paid in respect of year ended 31 March 2012	–	–	–	–	–	(7,705)	(7,705)
First interim dividend paid in respect of year ended 31 March 2013	–	–	–	–	–	(3,175)	(3,175)
Subscription shares exercised for ordinary shares	1,179	(47)	28,929	47	–	–	30,108
Shares purchased to be held in treasury and treasury shares cancelled	(735)	–	–	(19,239)	735	–	(19,239)
Shares issued from treasury	–	–	8	415	–	–	423
At 31 March 2013	11,441	24	215,237	260,010	7,803	9,900	504,415

For the year ended 31 March 2012

	Ordinary share capital £'000	Subscription share capital £'000	Share premium account £'000	Capital reserve £'000	Capital redemption reserve £'000	Revenue reserve £'000	Total £'000
At 31 March 2011	10,875	82	181,395	135,319	6,978	10,132	344,781
Net return from ordinary activities after taxation	–	–	–	45,839	–	9,473	55,312
Dividend paid in respect of year ended 31 March 2011	–	–	–	–	–	(6,474)	(6,474)
Subscription shares exercised for ordinary shares	212	(9)	5,199	9	–	–	5,411
Shares purchased to be held in treasury and treasury shares cancelled	(90)	–	–	(6,939)	90	–	(6,939)
Subscription shares repurchased for cancellation	–	(2)	(294)	2	–	–	(294)
At 31 March 2012	10,997	71	186,300	174,230	7,068	13,131	391,797

The accompanying notes are an integral part of this statement.

Balance Sheet

as at 31 March 2013

	Notes	2013 £'000	2012 £'000
Fixed assets			
Investments held at fair value through profit or loss	9	515,329	454,301
Derivative – OTC swaps	9 & 12	35,988	13,691
		551,317	467,992
Current assets			
Debtors	10	9,010	2,512
Derivative – financial instruments	9 & 12	2,442	940
		11,452	3,452
Current liabilities			
Creditors: amounts falling due within one year	11	(58,354)	(79,647)
		(58,354)	(79,647)
Net current liabilities		(46,902)	(76,195)
Total net assets		504,415	391,797
Capital and reserves			
Ordinary share capital	13	11,441	10,997
Subscription share capital	13	24	71
Share premium account		215,237	186,300
Capital reserve	19	260,010	174,230
Capital redemption reserve		7,803	7,068
Revenue reserve		9,900	13,131
Total shareholders' funds		504,415	391,797
Net asset value per share – basic	14	1110.2p	909.4p
Net asset value per share – diluted for subscription shares	14	1089.6p	871.0p
Net asset value per share – fully diluted for subscription shares and treasury shares	14	1089.1p	869.7p

The financial statements on pages 41 to 60 were approved by the Board of Directors and authorised for issue on 6 June 2013 and were signed on its behalf by:

Sir Martin Smith
Chairman

The accompanying notes are an integral part of this statement.

Worldwide Healthcare Trust PLC – Company Registration Number 3023689 (Registered in England)

Cash Flow Statement

for the year ended 31 March 2013

	Notes	2013 £'000	2012 £'000
Net cash inflow from operating activities	15	4,202	4,112
Servicing of finance			
Interest paid		(186)	(286)
Taxation			
Taxation suffered		(431)	(422)
Financial investments			
Purchases of investments and derivatives		(349,759)	(301,803)
Sales of investments and derivatives		381,024	288,756
Net cash inflow/(outflow) from financial investment		31,265	(13,047)
Equity dividends paid	8	(10,880)	(6,474)
Net cash inflow/(outflow) before financing		23,970	(16,117)
Financing			
Repurchase of own shares	13	(19,239)	(7,233)
Issue of shares from treasury	13	423	–
Subscription shares exercised for ordinary shares	13	30,108	5,411
Net cash inflow/(outflow) from financing		11,292	(1,822)
Decrease/(increase) in net debt	16	35,262	(17,939)

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

1. ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently throughout the year in the preparation of these financial statements, are set out below:

(a) Basis of Preparation

The financial statements have been prepared in accordance with United Kingdom generally accepted accounting standards (UK GAAP) and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' dated January 2009 (the 'SORP').

The Company's financial statements are presented in sterling. All values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

(b) Investments Held at Fair Value Through Profit or Loss

Listed investments have been designated by the Board as held at fair value through profit or loss and accordingly are valued at fair value, deemed to be bid market prices.

Unquoted investments are designated by the Board as held at fair value through profit or loss, and are valued by the Directors using primary valuation techniques such as earnings multiples, option pricing models, discounted cash flow analysis and recent transactions.

Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Income Statement as 'gains or losses on investments held at fair value through profit or loss'. Also included within this caption are transaction costs in relation to the purchase or sale of investments, including the difference between the purchase price of an investment and its bid price at the date of purchase. All purchases and sales are accounted for on a trade date basis.

The Company has classified its financial assets designated at fair value through profit or loss and the fair value of derivative financial instruments using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements. The hierarchy has the following levels:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(c) Investment Income

Dividends receivable on equity shares are recognised on the ex-dividend date. Where no ex-dividend date is quoted, dividends are recognised when the Company's right to receive payment is established. UK dividends are shown net of tax credits and foreign dividends are grossed up at the appropriate rate of withholding tax.

Income from fixed interest securities is recognised on a time apportionment basis so as to reflect the effective interest rate.

Deposit interest is accounted for on an accruals basis.

(d) Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue column of the Income Statement except as follows:

(i) expenses which are incidental to the acquisition or disposal of an investment, categorised as fixed assets held at fair value through profit or loss are charged to the capital column of the Income Statement; and

(ii) expenses are charged to the capital column of the Income Statement where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In this respect the investment management and management fees have been charged to the Income Statement in line with the Board's expected long-term split of returns, in the form of capital gains and income, from the Company's portfolio. As a result 5% of the investment management and management fees are charged to the revenue column of the Income Statement and 95% are charged to the capital column of the Income Statement.

Any performance fee accrued or paid is charged in full to the capital column of the Income Statement.

Notes to the Financial Statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

(e) Finance Costs
Finance costs are accounted for on an accruals basis. Finance costs are charged to the Income Statement in line with the Board's expected long-term split of returns, in the form of capital gains and income, from the Company's portfolio. As a result 5% of the finance costs are charged to the revenue column of the Income Statement and 95% are charged to the capital column of the Income Statement. Finance charges, if applicable, including interest payable and premiums on settlement or redemption, are accounted for on an accruals basis in the Income Statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

(f) Taxation
The tax effect of different items of expenditure is allocated between capital and revenue using the marginal basis.

Deferred taxation is provided on all timing differences that have originated but not been reversed by the Balance Sheet date other than those differences regarded as permanent. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the reversal of timing differences can be deducted. Any liability to deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

(g) Foreign Currency
The results and financial position of the Company are expressed in sterling, which is the functional and presentational currency of the Company. Sterling is the functional currency because it is the currency of the primary economic environment in which the Company operates.

Transactions recorded in overseas currencies during the year are translated into sterling at the appropriate daily exchange rates. Assets and liabilities denominated in overseas currencies at the Balance Sheet date are translated into sterling at the exchange rates ruling at that date.

Any gains or losses on the translation of foreign currency balances, whether realised or unrealised, are taken to the capital or the revenue column of the Income Statement, depending on whether the gain or loss is of a capital or revenue nature.

(h) Functional and Presentational Currency
The financial information is shown in sterling, being the Company's presentational currency. In arriving at the functional currency the Directors have considered the following:

(i) the primary economic environment of the Company;

(ii) the currency in which the original capital was raised;

(iii) the currency in which distributions are made;

(iv) the currency in which performance is evaluated; and

(v) the currency in which the capital would be returned to Shareholders on a break up basis.

The Directors are of the opinion that sterling best represents the Company's functional currency.

Notes to the Financial Statements (continued)

1. ACCOUNTING POLICIES (CONTINUED)

(i) Derivative Financial Instruments

The Company uses derivative financial instruments (namely put and call options and equity swaps). The merits and rationale behind such strategies are to enhance the capital return of the portfolio, facilitate management of portfolio volatility and improve the risk-return profile of the Company relative to its benchmark.

All derivative instruments are valued at fair value in the Balance Sheet in accordance with FRS 26: 'Financial instruments: measurement'.

The equity swaps are accounted for as Fixed Assets in the Balance Sheet and Options are accounted for as Current Assets and/or Current Liabilities in the Balance Sheet.

Each investment in options is reviewed on a case-by-case basis and are all deemed to be capital in nature. As such, all gains and losses on the above strategies have been debited or credited to the capital column of the Income Statement.

All gains and losses on over-the-counter (OTC) equity swaps, during the swap term, are accounted for as investment holding gains or losses on investments. Where there has been a re-positioning of the swap, gains and losses are accounted for on a realised basis. All such gains and losses have been debited or credited to the capital column of the Income Statement.

(j) Capital Reserves

The following are transferred to this reserve:

- gains and losses on the realisation of investments;
- realised and unrealised exchange differences of a capital nature;
- expenses, together with the related taxation effect, in accordance with the above policies; and
- increases and decreases in the valuation of investments held at the year end.

2. INCOME FROM INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	2013 £'000	2012 £'000
Income from investments		
UK listed dividends	507	505
Overseas dividends	8,124	8,863
Fixed interest income	977	2,283
	9,608	11,651
Other income		
Deposit interest	6	2
Total income from investments held at fair value through profit or loss	9,614	11,653
Total income comprises:		
Dividends	8,631	9,368
Interest	983	2,285
	9,614	11,653

Notes to the Financial Statements (continued)

3. INVESTMENT MANAGEMENT, MANAGEMENT AND PERFORMANCE FEES

	2013 Revenue £'000	2013 Capital £'000	2013 Total £'000	2012 Revenue £'000	2012 Capital £'000	2012 Total £'000
Investment Management fee	141	2,674	2,815	119	2,251	2,370
Management fee	49	943	992	43	817	860
Performance fee (write back)/accrual	–	(1,333)	(1,333)	–	2,885	2,885
	190	2,284	2,474	162	5,953	6,115

During the year, performance fees totaling £643,000 crystallised (year ended 31 March 2012: £909,000).

The fees crystallised at the following quarterly calculation dates:

	£'000
30 June 2012	375
30 September 2012	–
31 December 2012	–
31 March 2013 (see note 11 on page 52)	268
Fees crystallised during year ended 31 March 2013	643

The performance fee amount of £1,333,000 which was written back as at 31 March 2013 represents outperformance generated as at 31 March 2012 which was not maintained for the twelve month period. In accordance with the performance fee arrangements this amount was written back as at 31 March 2013.

Further details of the performance fee basis can be found in the Report of the Directors on page 23 under the heading 'Performance Fee'.

4. OTHER EXPENSES

	2013 Revenue £'000	2012 Revenue £'000
Directors' remuneration	154	163
Auditors' remuneration for the audit of the Company's financial statements	26	26
Auditors' remuneration for audit related assurance services	8	11
Marketing costs	42	44
Registrar fees	63	54
Broker retainer	30	30
Legal and professional costs	36	13
Printing	41	35
Stock exchange listing fees	35	17
Custody fees	2	3
Other costs	158	152
	595	548

Details of the amounts paid to Directors are included in the Directors' Remuneration Report on page 38.

5. FINANCE CHARGES

	2013 Revenue £'000	2013 Capital £'000	2013 Total £'000	2012 Revenue £'000	2012 Capital £'000	2012 Total £'000
Finance charges	9	177	186	14	272	286

Notes to the Financial Statements (continued)

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in year:

	2013 Revenue £'000	2013 Capital £'000	2013 Total £'000	2012 Revenue £'000	2012 Capital £'000	2012 Total £'000
UK corporation tax at 24% (2012: 26%)						
Tax relief to capital	18	(18)	–	406	(406)	–
Overseas taxation	1,153	–	1,153	1,050	–	1,050
	1,171	(18)	1,153	1,456	(406)	1,050

(b) Factors affecting current tax charge for the year

The tax charged for the year is lower than the standard rate of corporation tax in the UK for a large company 24% (2012: 26%).

The difference is explained below.

	2013 Revenue £'000	2013 Capital £'000	2013 Total £'000	2012 Revenue £'000	2012 Capital £'000	2012 Total £'000
Total return before taxation	8,820	104,539	113,359	10,929	45,433	56,362
Corporation tax at 24% (2012: 26%)	2,117	25,089	27,206	2,842	11,813	14,655
Non-taxable gains on investments held at fair value through profit or loss	–	(25,680)	(25,680)	–	(13,431)	(13,431)
Overseas withholding taxation	1,153	–	1,153	1,050	–	1,050
Non taxable overseas dividends	(1,977)	–	(1,977)	(2,535)	–	(2,535)
Non taxable UK dividend	(122)	–	(122)	(131)	–	(131)
Expenses charged to capital available to be utilised	–	573	573	(6)	1,212	1,206
Timing differences on overseas dividends	–	–	–	231	–	231
Disallowed expenses	–	–	–	5	–	5
Current tax charge	1,171	(18)	1,153	1,456	(406)	1,050

(c) Provision for deferred tax

As at 31 March 2013, the Company has not recognised a deferred tax asset of £9,146,000 (23% tax rate) (2012: £8,805,000 (24% tax rate)) as a result of unutilised management expenses and a non-trade loan relationship. It is not anticipated that this asset will be utilised in the foreseeable future.

Deferred tax has not been provided for in these financial statements, because the Company meets and intends to continue meeting the conditions for approval as an investment trust.

Notes to the Financial Statements (continued)

7. RETURN PER SHARE

	2013 £'000	2012 £'000
The return per share is based on the following figures:		
Revenue return	7,649	9,473
Capital return	104,557	45,839
Total return	112,206	55,312
Weighted average number of ordinary shares in issue during the year – basic	44,819,199	43,362,962
Revenue return per share	17.1p	21.8p
Capital return per share	233.3p	105.7p
Total return per share – basic	250.4p	127.5p
Weighted average number of shares in issue during the year – diluted	45,243,785	44,223,263
Revenue return per share	16.9p	21.4p
Capital return per share	231.1p	103.7p
Total return per share – diluted	248.0p	125.1p

8. INTERIM DIVIDEND

Under UK GAAP, final dividends are not recognised until they are approved by shareholders and interim dividends are not recognised until they are paid. They are also debited directly from reserves. Amounts recognised as distributable to ordinary shareholders for the year ended 31 March 2013 were as follows:

	2013 £'000	2012 £'000
Interim dividend in respect of the year ended 31 March 2011	–	6,474
Interim dividend in respect of the year ended 31 March 2012	7,705	–
First interim dividend in respect of the year ended 31 March 2013	3,175	–
	10,880	6,474

In respect of the year ended 31 March 2013, an interim dividend of 7.0p per share was paid on 11 January 2013, with a second interim dividend of 9.5p payable on 5 July 2013 the associated ex dividend date was 5 June 2013. The total dividends payable in respect of the year ended 31 March 2013 is 16.5p per share (2012: 17.5p per share). The aggregate cost of the second interim dividend based on the number of shares in issue at 5 June 2013 will be £4,352,000. In accordance with FRS 21 the second interim dividend will be reflected in the interim accounts for the period ending 30 September 2013. Total dividends in respect of the financial year, which is the basis on which the requirements of s1158 of the Corporation Tax Act 2010 are considered, are set out below:

	2013 £'000	2012 £'000
Revenue available for distribution by way of dividend for the year	7,649	9,473
Interim dividend in respect of year ended 31 March 2012	–	(7,740)
First interim dividend in respect of the year ended 31 March 2013	(3,175)	–
Second interim dividend in respect of the year ended 31 March 2013*	(4,352)	–
	122	1,733

*based on 45,812,914 shares in issue as at 5 June 2013.

Notes to the Financial Statements (continued)

9. INVESTMENTS

	Listed investments £'000	Derivative financial instruments £'000	Total £'000
Cost at 1 April 2012	401,933	13,960	415,893
Investment holdings gains at 1 April 2012	52,368	671	53,039
Valuation at 1 April 2012	454,301	14,631	468,932
Movement in the year:			
Purchases at cost	280,877	82,039	362,916
Sales – proceeds	(318,815)	(68,596)	(387,411)
– realised gains on sales	28,188	4,693	32,881
Net movement in investment holding gains	70,778	5,663	76,441
Valuation at 31 March 2013	515,329	38,430	553,759
Cost at 31 March 2013	392,183	32,096	424,279
Investment holding gains at 31 March 2013	123,146	6,334	129,480
Valuation at 31 March 2013	515,329	38,430	553,759

Gains on investment	2013 £'000	2012 £'000
Realised gains based on historical cost – sales	32,881	33,733
Less: amounts recognised as investment holding gains in previous years	(27,881)	(13,237)
Realised gains based on carrying value at previous Balance Sheet date	5,000	20,496
Movement in investment holding gains in the year	104,322	31,697
Gains on investments	109,322	52,193

Purchase transaction costs for the year to 31 March 2013 were £819,000 (year ended 31 March 2012: £575,000). These comprise mainly commission and stamp duty.

Sales transaction costs for the year to 31 March 2013 were £733,000 (year ended 31 March 2012: £504,000). These comprise mainly commission.

10. DEBTORS

	2013 £'000	2012 £'000
Amounts due from brokers	6,641	254
Withholding taxation recoverable	1,378	947
VAT recoverable	66	47
Prepayments and accrued income	925	1,264
	9,010	2,512

Notes to the Financial Statements (continued)

11. CREDITORS

Amounts falling due within one year	2013 £'000	2012 £'000
Amounts due to brokers	25,605	12,448
Stamp duty due on repurchase of own shares	–	5
Bank loan facility*	31,419	64,359
Performance fee accrued	268	1,976
Other creditors and accruals	1,062	859
	58,354	79,647

*The Company's borrowing requirements are met through the utilisation of a loan facility, repayable on demand, provided by Goldman Sachs & Co. New York ("Goldman Sachs"). Interest on the facility is charged at the Federal Funds effective rate plus 1 week LIBOR-OIS Spread† plus 35 basis points. As at 31 March 2013, assets to the value of approximately 140% of the Company's debt were held by Goldman Sachs as collateral.

†See glossary on page 72

12. DERIVATIVE FINANCIAL INSTRUMENTS

	2013 £'000	2012 £'000
Fair value of OTC equity swaps	35,988	13,691
Fair value of call and put options	2,442	940
	38,430	14,631

See note 9 on page 51 for movements during the year.

13. SHARE CAPITAL

Issued and fully paid	Ordinary shares number	Treasury shares number	Total Ordinary shares in issue number	Total Subscription shares in issue number
At 1 April 2012	43,081,164	908,586	43,989,750	7,104,848
Ordinary shares bought back and held in treasury	(2,411,340)	2,411,340	–	–
Ordinary shares re-issued from treasury	50,000	(50,000)	–	–
Treasury shares cancelled following 2012 AGM	–	(2,941,518)	(2,941,518)	–
Subscription shares converted to Ordinary shares	4,714,922	–	4,714,922	(4,714,922)
At 31 March 2013	45,434,746	328,408	45,763,154	2,389,926

	£'000
Issued and fully paid:	
45,763,154 Ordinary shares of 25p (including 328,408 ordinary shares held in treasury)	11,441
2,389,926 Subscription shares of 1p	24

During the year ended 31 March 2013 a total of 2,411,340 shares were bought back by the Company (2012: 908,586) at a cost of £19,143,000 and expenses of £96,000 (2012: 6,908,000 and £31,000). 328,408 shares were held in treasury at 31 March 2013 (2012: 908,586). There were 50,000 shares issued from treasury raising proceeds of £423,000 (2012: nil). 4,714,922 new shares were issued during the year as a result of holders of subscription shares exercising their subscription rights, raising £30,108,000 (2012: 848,139, raising £5,411,000). There were no subscription shares bought back for cancellation during the year (2012: 238,125 shares, at a cost of £292,000 and expenses of £2,000).

At the year end there were 2,389,926 subscription shares in issue (2012: 7,104,848).

Notes to the Financial Statements (continued)

14. NET ASSET VALUE PER SHARE

	2013	2012
Net asset value per share – basic	1,110.2p	909.4p
Net asset value per share – diluted for subscription shares	1,089.6p	871.0p
Net asset value per share – fully diluted for subscription shares and treasury shares	1,089.1p	869.7p

The net asset value per share is based on the assets attributable to equity shareholders of £504,415,000 (2012: £391,797,000) and on the number of shares in issue at the year end of 45,434,746 (excluding shares held in treasury) (2012: 43,081,164). As at 31 March 2013, there were 2,389,926 subscription shares in issue (2012: 7,104,848).

The net asset value per share diluted assumes all outstanding subscription shares were exercised at 699p resulting in assets attributable to equity shareholders of £521,121,000 and on 47,824,672 shares (2012: assumed all outstanding subscription shares were exercised at 638p resulting in assets attributable to shareholders of £437,126,000 and on 50,186,012 shares).

The net asset value per share fully diluted for subscription shares and treasury shares assumes that all outstanding subscription shares were exercised at 699p and the treasury shares were sold back to the market at 1,009p resulting in assets attributable to equity shareholders of £524,435,000 (2012: £444,349,000) and on 48,153,080 shares (2012: 51,094,598).

15. RECONCILIATION OF OPERATING RETURN TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013 £'000	2012 £'000
Gains before finance costs and taxation	113,545	56,648
Less: capital gain before finance costs and taxation	(104,716)	(45,705)
Revenue return before finance costs and taxation	8,829	10,943
Expenses charged to capital	(2,284)	(5,953)
Decrease in prepayments and accrued income	339	703
(Increase)/decrease in other debtors	(19)	2
Decrease in creditors and accruals	(1,510)	(533)
Net taxation suffered on investment income	(1,153)	(1,050)
Net cash inflow from operating activities	4,202	4,112

16. RECONCILIATION OF NET CASH FLOW MOVEMENT TO MOVEMENT IN NET DEBT

	2013 £'000	2012 £'000
Decrease/(increase) in net debt resulting from cashflows	35,262	(17,939)
Exchange movements	(2,322)	(535)
Movement in net debt in the year	32,940	(18,474)
Net debt at start of year	(64,359)	(45,885)
Net debt at end of year	(31,419)	(64,359)

Represented by:

	At 1 April 2012 £'000	Cash flows £'000	Exchange movements £'000	At 31 March 2013 £'000
Net bank overdraft	(64,359)	35,262	(2,322)	(31,419)

Notes to the Financial Statements (continued)

17. RELATED PARTIES

Details of the relationship between the Company and OrbiMed Capital LLC, the Company's Investment Manager, are disclosed in the Report of the Directors on page 22. Samuel D. Isaly is a Director of the Company, as well as Managing Partner at OrbiMed Capital LLC. During the year ended 31 March 2013, OrbiMed Capital LLC earned £2,815,000 in respect of Investment Management fees, of which £807,000 was outstanding at the year end. In addition, performance fees of £341,000 were paid to OrbiMed Capital LLC during the year and £244,000 was payable at 31 March 2013.

18. FINANCIAL INSTRUMENTS' EXPOSURE TO RISK AND RISK MANAGEMENT POLICIES

The Company's financial instruments comprise securities and other investments, derivative instruments, cash balances, loans, debtors and creditors that arise directly from its operations.

As an investment trust, the Company invests in equities and other investments for the long term so as to secure its investment objective as stated on pages 19 and 20. In pursuing its investment objective, the Company is exposed to a variety of risks that could result in a reduction in the Company's net assets.

The main risks that the Company faces arising from its financial instruments are:

(i) market risk (including foreign currency risk, interest rate risk and other price risk)

(ii) liquidity risk

(iii) credit risk

These risks and the Directors' approach to the management of them, are set out in the Report of Directors on pages 20 to 22 and have not changed from the previous accounting period. The Investment Manager, in close co-operation with the Board of Directors, co-ordinates the Company's risk management.

(i) Market risk:

The Company's portfolio is exposed to market price fluctuations which are monitored by the Investment Manager in pursuance of the investment objective. Further information on the portfolio is set out on pages 14 to 16.

Management of risk:
Derivative instruments are used to mitigate market price risk, the following option strategies or a combination of such have been used during the financial year:

- Buy calls: provides leveraged long exposure, facilitates exposure while minimising capital at risk.
- Buy puts: provides leveraged protection, facilitates exposure while minimising capital at risk.
- Sell puts: provides an effective entry price at which to add to an existing position, or provides an effective entry price at which to initiate a new position.

Notes to the Financial Statements (continued)

18. FINANCIAL INSTRUMENTS' EXPOSURE TO RISK AND RISK MANAGEMENT POLICIES (CONTINUED)

(a) Foreign currency risk

A significant proportion of the Company's portfolio is denominated in currencies other than sterling (the Company's functional currency, and the currency in which it reports its results). As a result, movements in exchange rates can significantly affect the sterling value of those items.

Rate of exchange against sterling at 31 March

	2013	2012
U.S. dollar	1.518	1.598
Japanese yen	142.765	131.487
Swiss franc	1.438	1.444
Euro	1.183	1.120

Foreign currency exposure and sensitivity

The fair values of the Company's monetary items that are denominated in foreign currency as at 31 March 2013 are shown below:

	2013 Current assets £'000	2013 Current liabilities £'000	2013 Investments £'000	2012 Current assets £'000	2012 Current liabilities £'000	2012 Investments £'000
U.S. dollar	6,980	(56,689)	396,264	575	(74,797)	345,222
Swiss franc	1,238	–	67,045	–	(596)	45,774
Japanese yen	441	(545)	42,793	351	–	36,508
Euro	117	–	23,457	–	–	17,712
Hong Kong dollar	–	–	8,573	23	(128)	11,215
Singapore dollar	–	–	5,088	–	(647)	2,901
	8,776	(57,234)	543,220	949	(76,168)	459,332

Management of risk:

The Investment Manager and Manager monitor the Company's exposure to foreign currencies on a daily basis and report to the Board on a regular basis. The Investment Manager does not hedge against foreign currency movements, but takes account of the risk when making investment decisions.

Foreign currency borrowing facilities are available and are currently being utilised, to limit the Company's exposure to anticipated future changes in exchange rates, which might otherwise adversely affect the value of portfolio investments.

Income denominated in foreign currencies is converted into sterling on receipt. The Company does not use financial instruments to mitigate the currency exposure in the period between the time that the income is included in the financial statements and its receipt.

Foreign currency sensitivity

The following table details the sensitivity of the Company's profit or loss after taxation for the year and shareholders' funds to a 10% increase and decrease in sterling against the U.S. dollar (2012: 10% increase and decrease), a 10% increase and decrease in sterling against the Japanese yen (2012: 10% increase and decrease), and a 10% increase and decrease in sterling against the Swiss franc (2012: 10% increase and decrease).

These percentages have been determined based on market volatility in exchange rates over the previous 12 months. The sensitivity analysis is based on the Company's foreign currency financial instruments held at each Balance Sheet date.

	2013 USD £'000	2013 YEN £'000	2013 CHF £'000	2012 USD £'000	2012 YEN £'000	2012 CHF £'000
Sterling depreciates	41,788	4,831	7,857	31,662	4,102	5,213
Sterling appreciates	(32,259)	(3,953)	(6,207)	(25,906)	(3,356)	(4,265)

Notes to the Financial Statements (continued)

18. FINANCIAL INSTRUMENTS' EXPOSURE TO RISK AND RISK MANAGEMENT POLICIES (CONTINUED)

(b) Interest rate risk

Interest rate movement may affect:

- the interest payable on the Company's variable rate borrowings;
- the level of income receivable from floating and fixed rate securities and cash at bank and on deposit;
- the fair value of investments of fixed interest securities.

Management of the risk

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions and borrowing under the multicurrency loan facility.

The Company, generally, does not hold significant cash balances (except when required for collateral against the Company's derivative positions), with short term borrowing being used when required.

Interest rate exposure

The Company has a loan facility with Goldman Sachs which is repayable on demand. £31.4 million was drawn down under this facility at 31 March 2013. The exposure of financial assets and liabilities to floating interest rates, giving cash flow interest rate risk when rates are re-set, is shown below.

Floating rate

The floating interest rate exposure of the financial assets and financial liabilities to interest rate risk at 31 March 2013 in respect of cash was nil (2012: nil). At 31 March 2013 there was an overdraft position at Goldman Sachs of £31,419,000 (2012: £64,359,000).

Fixed rate

At 31 March, the Company held 2.7% of the portfolio in convertible bonds (2012: 3.3% of the portfolio). This percentage is deemed not to be material and accordingly no sensitivity analysis has been presented.

(c) Other price risk

Other price risk may affect the value of the Company's investments. If market prices at the Balance Sheet date had been 25% higher or lower (2012: 25% higher or lower) while all other variables remained constant, the revenue return would have decreased/increased by £66,000 (2012: £49,000), and the capital return would have increased/decreased by £137,191,000 (2012: £116,168,000) and the return on equity would have increased/decreased by £137,125,000. The calculations are based on the portfolio valuations as at the respective Balance Sheet dates and are not representative of the year as a whole.

Notes to the Financial Statements (continued)

18. FINANCIAL INSTRUMENTS' EXPOSURE TO RISK AND RISK MANAGEMENT POLICIES (CONTINUED)

(ii) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Management of the risk

Liquidity risk is not significant as the majority of the Company's assets are investments in quoted equities and other quoted securities that are readily realisable. The Company has a loan facility repayable on demand with Goldman Sachs.

Interest on the facility is charged at the Federal Funds effective rate plus 1 week LIBOR-OIS Spread† plus 35 basis points.

† See glossary on page 72.

In order to ensure diversification within the portfolio, the Board gives guidance to the Investment Manager concerning exposure limits to individual companies. Geographical and sectoral exposure are also reviewed regularly by the Directors.

Liquidity exposure

Contractual maturities of the financial liabilities as at 31 March 2013, based on the earliest date on which payment can be required are as follows:

31 March 2013	3 months or less £'000	2013 Not more than one year £'000	Total £'000
Current liabilities:			
Borrowings under the loan facility	31,419	–	31,419
Amounts due to brokers and accruals	26,935	–	26,935
	58,354	–	58,354

31 March 2012	3 months or less £'000	2012 Not more than one year £'000	Total £'000
Current liabilities:			
Borrowings under the loan facility	64,359	–	64,359
Amounts due to brokers and accruals	15,288	–	15,288
	79,647	–	79,647

Notes to the Financial Statements (continued)

18. FINANCIAL INSTRUMENTS' EXPOSURE TO RISK AND RISK MANAGEMENT POLICIES (CONTINUED)

(iii) Credit risk

The failure of the counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss.

The carrying amounts of financial assets best represent the maximum credit risk at the Balance Sheet date. The Company's listed investments are held on its behalf by Goldman Sachs acting as the Company's custodian.

Bankruptcy or insolvency of a custodian may cause the Company's rights with respect to securities held by that custodian to be delayed, however, the Board monitors the Company's risk to its custodians by reviewing continuously their internal control reports and their credit ratings.

Certain of the Company's assets are held by Goldman Sachs as collateral for the loan provided by them to the Company. Such assets held by Goldman Sachs are available for rehypothecation†. As at 31 March 2013, assets with a total market value of £50.1 million (31 March 2012: £93.9 million) were held as collateral. In addition £4.5 million cash was held as collateral at Goldman Sachs (31 March 2012: £2.7 million).

Management of the risk

The risk is not significant, and is managed as follows:

- by only dealing with brokers which have been approved by OrbiMed Capital LLC and banks with high credit ratings;
- by setting limits to the maximum exposure to any one counterparty at any time; and
- by monitoring the assets subject to rehypothecation†.

† See glossary on page 72.

Credit risk exposure

	2013 Balance Sheet £'000	2012 Balance Sheet £'000
Fixed interest and convertible securities	15,015	31,574
Derivative – OTC equity swaps	35,988	13,691
Current assets:		
Other receivables (amounts due from brokers, dividends and interest receivable and derivative financial instruments)	11,452	3,452

Notes to the Financial Statements (continued)

18. FINANCIAL INSTRUMENTS' EXPOSURE TO RISK AND RISK MANAGEMENT POLICIES (CONTINUED)

As of 31 March 2013	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets				
Financial investments designated at fair value through profit or loss	506,475	8,854	–	515,329
Fair value of derivative financial instruments	–	38,430	–	38,430
Assets measured at fair value	506,475	47,284	–	553,759

As at 31 March 2013, the put and call options, the equity swaps, and Incyte Corporation 4.75% 01/10/15 convertible bond, have been classified as level two. All of the remaining investments have been classified as level one.

As of 31 March 2012	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets				
Financial investments designated at fair value through profit or loss	454,301	–	–	454,301
Fair value of derivative financial instruments	–	14,631	–	14,631
Assets measured at fair value	454,301	14,631	–	468,932

Fair value of financial assets and financial liabilities

The fair value of the financial assets and financial liabilities are either carried in the Balance Sheet at their fair value (investments and derivatives) or the Balance Sheet amount is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accrual, cash at bank, bank overdraft and amounts due under the loan facility).

Capital management policies and procedures

The Company's capital management objectives are to ensure that it will be able to continue as a going concern and to maximise the income and capital return to its equity shareholders through an appropriate level of gearing.

The Board's policy is to limit gearing to the lower of £120 million or 20% of the Company's net assets.

The capital structure of the Company consists of the equity share capital, retained earnings and other reserves as disclosed on the Balance Sheet on page 43.

Notes to the Financial Statements (continued)

18. FINANCIAL INSTRUMENTS' EXPOSURE TO RISK AND RISK MANAGEMENT POLICIES (CONTINUED)

Gearing for this purpose is defined as net debt as a percentage of shareholders' funds. As at 31 March 2013 the gearing percentage of the Company was 9.8% (2012: 16.4%).

The Board with the assistance of the Investment Manager monitors and reviews the broad structure of the Company's capital on an ongoing basis. This includes a review of:

- the planned level of gearing, which takes into account the Investment Manager's view of the market;
- the need to buy back equity shares, either for cancellation or to hold in treasury, in light of any share price discount to net asset value per share in accordance with the Company's share buyback policy;
- the need for new issues of equity shares, including issues from treasury; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

The Company is also subject to several externally imposed capital requirements and are as follows:

- as a public company, the Company has a minimum share capital of £50,000; and
- in order to be able to pay dividends out of profits available for distribution, the Company has to be able to meet one of the two capital restriction tests imposed on investment companies by company law.

These requirements are unchanged since last year and the Company has complied with them.

19. CAPITAL RESERVE

	Capital Reserve – Other £'000	Capital Reserve* – Investment Holding Gains £'000	Total £'000
At 31 March 2012	121,191	53,039	174,230
Transfer on disposal of investments	27,881	(27,881)	–
Net gains on investments	5,000	104,322	109,322
Expenses charged to capital less tax relief thereon	(2,443)	–	(2,443)
Subscription shares exercised	47	–	47
Shares issued from treasury	415	–	415
Shares purchased including expenses	(19,239)	–	(19,239)
Exchange loss on currency balances	(2,322)	–	(2,322)
At 31 March 2013	130,530	129,480	260,010

* Investment holding gains relate to the revaluation of investments held at the reporting date. (See note 9 on page 51 for further details).

Explanatory Notes of Principal Changes to the Company's Articles of Association

Set out below is a summary of the main differences between the current and the proposed new Articles of Association (the "Articles"). The principal changes in the new Articles to be adopted at the Annual General Meeting to be held on 17 July 2013 relate to:

Distribution of Capital Profits

The Company is no longer required to include a prohibition on distributing capital profits in its Articles, following HM Government's reform of the tax and company law rules affecting investment trusts. This prohibition has been removed in the proposed new Articles. Please note that the Board is not currently proposing any change to the Company's dividend policy.

Authorised Share Capital

The Companies Act 2006 abolished the requirement for Companies to have an authorised share capital, with effect from 1 October 2009. The Company is therefore taking the opportunity to remove the upper limit of the Company's share capital included in its current Articles.

Deletion of Provisions Formerly in the Memorandum of Association

Most of the provisions of the memorandum of association of a company incorporated before 1 October 2009 are now deemed to form part of its articles of association. Of these the Company is only required to retain in its articles the statements that the liability of members is limited and that the company's registered office is situated in England and Wales. The Company is therefore taking this opportunity to remove from its Articles of Association all those provisions formerly in its Memorandum of Association which it is not required to retain. In particular the clause setting out the objects of the Company is to be removed so that the Company's objects will in future be wholly unrestricted.

Subscription Shares

The Company is proposing to amend the provisions of the Articles that relate to the Subscription Shares issued in 2009. The Directors understand that HM Revenue & Customs has recently indicated that where the Subscription Rights attached to the Subscription Shares have lapsed such shares must remain admitted to trading on a regulated market. While the Company already has authority to redeem or transfer such shares without further authorisation, the Board is proposing an amendment to clarify the Articles so that on the date that the rights attaching to the Subscription Shares lapse, such Subscription Shares will be converted into Deferred Shares and the Company may then transfer such Deferred Shares to its nominee without making any payment to the holders thereof. Following the transfer of Deferred Shares to its nominee, the Company may cancel and/or purchase the Deferred Shares without making any payment to or obtaining the sanction of such nominee or any holder of Deferred Shares or for such consideration as the Directors may determine. Following the cancellation or repurchase of such shares, they will cease to exist.

Other Changes

Other technical changes have been made so that the Articles of Association conform to the Companies Act 2006 and other legislation applicable to companies, as currently in force and current best practice.

A copy of the current Articles and of the proposed new Articles marked up to show the proposed amendments will be available for inspection at the offices of Frostrow Capital LLP during normal business hours and will be available for inspection at the Annual General Meeting, in each case until conclusion of the meeting.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Worldwide Healthcare Trust PLC will be held at Carpenters' Hall, Throgmorton Avenue, London EC2W 2JJ on Wednesday, 17 July 2013 from 12 noon for the following purposes:

ORDINARY BUSINESS

To consider and, if thought fit, pass the following as ordinary resolutions:

1. To receive and, if thought fit, to accept the Audited Accounts and the Report of the Directors for the year ended 31 March 2013
2. To re-elect Ms Jo Dixon as a Director of the Company
3. To re-elect Dr David Holbrook as a Director of the Company
4. To re-elect Mr Samuel D. Isaly as a Director of the Company
5. To re-elect Sir Martin Smith as a Director of the Company
6. To elect Mrs Sarah Bates as a Director of the Company
7. To elect Mr Doug McCutcheon as a Director of the Company
8. To re-appoint Ernst & Young LLP as the Company's Auditors and to authorise the Directors to determine their remuneration
9. To approve the Directors' Remuneration Report for the year ended 31 March 2013

SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolutions of which resolutions 11, 12, 13, 14, 15 and 16 will be proposed as special resolutions:

Authority to Allot Shares

10. THAT in substitution for all existing authorities the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the "Act") to exercise all powers of the Company to allot relevant securities (within the meaning of section 551 of the Act) up to a maximum aggregate nominal amount of £1,145,323 (being 10% of the issued share capital of the Company at 6 June 2013) and representing 4,581,291 shares of 25 pence each (or, if less, the number representing 10% of the issued share capital of the Company at the date at which this resolution is passed), provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2014 or 15 months from the date of passing this resolution, whichever is the earlier, unless previously revoked, varied or renewed, by the Company in General Meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to such offer or agreement as if the authority conferred hereby had not expired.

Disapplication of Pre-emption Rights

11. THAT in substitution of all existing powers (but in addition to any power conferred on them by resolution 12 set out in the notice convening the Annual General Meeting at which this resolution is proposed ("Notice of Annual General Meeting")) the Directors be and are hereby generally empowered pursuant to Section 570 of the Companies Act 2006 (the "Act") to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred on them by resolution 10 set out in the Notice of Annual General Meeting or otherwise as if Section 561(1) of the Act did not apply to any such allotment:

    (a) pursuant to an offer of equity securities open for acceptance for a period fixed by the Directors where the equity securities respectively attributable to the interests of holders of shares of 25p each in the capital of the Company ("Shares") are proportionate (as nearly as may be) to the respective numbers of Shares held by them but subject to such exclusions or other arrangements in connection with the issue as the Directors may consider necessary, appropriate or expedient to deal with equity securities representing fractional entitlements or to deal with legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange, or any other matter whatsoever; and

Notice of Annual General Meeting (continued)

(b) provided that (otherwise than pursuant to sub-paragraph (a) above) this power shall be limited to the allotment of equity securities up to an aggregate nominal value of £1,145,323, being 10% of the issued share capital of the Company as at 6 June 2013 and representing 4,581,291 Shares or, if changed, the number representing 10% of the issued share capital of the Company at the date of the meeting at which this resolution is passed, and provided further that (i) the number of equity securities to which this power applies shall be reduced from time to time by the number of treasury shares which are sold pursuant to any power conferred on the Directors by resolution 12 set out in the Notice of Annual General Meeting and (ii) no allotment of equity securities shall be made under this power which would result in Shares being issued at a price which is less than the net asset value per Share as at the latest practicable date before such allotment of equity securities as determined by the Directors in their reasonable discretion,

and such power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months from the date of passing this resolution, whichever is earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might otherwise require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to such offer or agreement as if the power conferred hereby had not expired.

12. THAT in substitution of all existing powers (but in addition to any power conferred on them by resolution 11 set out in the Notice of Annual General Meeting) the Directors be and are hereby generally empowered pursuant to Section 570 of the Companies Act 2006 (the "Act") to sell relevant shares (within the meaning of Section 560 of the Act) if, immediately before the sale, such shares are held by the Company as treasury shares (as defined in Section 724 of the Act ("treasury shares")), for cash as if Section 561(1) of the Act did not apply to any such sale provided that:

(a) where any treasury shares are sold pursuant to this power at a discount to the then prevailing net asset value of ordinary shares of 25p each in the capital of the Company ("Shares"), such discount must be (i) lower than the discount to the net asset value per Share at which the Company acquired the Shares which it then holds in treasury and (ii) not greater than 5% to the prevailing net asset value per Share at the latest practicable time before such sale (and for this purpose the Directors shall be entitled to determine in their reasonable discretion the discount to their net asset value at which such Shares were acquired by the Company and the net asset value per Share at the latest practicable time before such Shares are sold pursuant to this power); and

(b) this power shall be limited to the sale of relevant shares having an aggregate nominal value of £1,145,323 being 10% of the issued share capital of the Company as at 6 June 2013 and representing 4,581,291 Shares or, if changed, the number representing 10% of the issued share capital of the Company at the date of the meeting at which this resolution is passed, and provided further that the number of relevant shares to which power applies shall be reduced from time to time by the number of Shares which are allotted for cash as if Section 561(1) of the Act did not apply pursuant to the power conferred on the Directors by resolution 11 set out in the Notice of Annual General Meeting,

and such power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months from the date of passing this resolution, whichever is earlier, unless previously revoked, varied or renewed by the Company in General Meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might otherwise require treasury shares to be sold after such expiry and the Directors may sell treasury shares pursuant to such offer or agreement as if the power conferred hereby had not expired.

Notice of Annual General Meeting (continued)

Authority to Repurchase Ordinary Shares

13. THAT the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 (the "Act") to make one or more market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of 25 pence each in the capital of the Company ("Shares") (either for retention as treasury shares for future reissue, resale, transfer or cancellation), provided that:
    (a) the maximum aggregate number of Shares authorised to be purchased is 6,867,356 (representing approximately 14.99% of the issued share capital of the Company at the date of the notice convening the meeting at which this resolution is proposed);
    (b) the minimum price (exclusive of expenses) which may be paid for a Share is 25 pence;
    (c) the maximum price (exclusive of expenses) which may be paid for a Share is an amount equal to the greater of (i) 105% of the average of the middle market quotations for a Share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which that Share is purchased and (ii) the higher of the price of the last independent trade and the highest then current independent bid on the London Stock Exchange as stipulated in Article 5(1) of Regulation No. 2233/2003 of the European Commission (Commission Regulation of 22 December 2003 implementing the Market Abuse Directive as regards exemptions for buyback programmes and stabilisation of financial instruments);
    (d) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2014 or, if earlier, on the expiry of 15 months from the date of the passing of this resolution unless such authority is renewed prior to such time; and
    (e) the Company may make a contract to purchase Shares under this authority before the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority, and may make a purchase of Shares in pursuance of any such contract.

Authority to Repurchase Subscription Shares

14. THAT the Company be and is hereby generally and unconditionally authorised in accordance with section 701 of the Companies Act 2006 (the "Act") to make one or more market purchases (within the meaning of section 693(4) of the Act) of subscription shares of 1p each in the capital of the Company ("Subscription Shares") for cancellation provided that:
    (a) the maximum aggregate number of Subscription Shares authorised to be purchased is 350,791 (representing approximately 14.99% of the issued Subscription Share capital of the Company at the date of the notice convening the meeting at which this resolution is proposed;
    (b) the minimum price (exclusive of expenses) which may be paid for a Subscription Share is 1p;
    (c) the maximum price (exclusive of expenses) which may be paid for a Subscription Share is an amount equal to the greater of (i) 105% of the average of the middle market quotations for a Subscription Share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which that Subscription Share is purchased and (ii) the higher of the price of the last independent trade and the highest then current independent bid on the London Stock Exchange as stipulated in Article 5(1) of Regulation No. 2233/2003 of the European Commission (Commission Regulation of 22 December 2003 implementing the Market Abuse Directive as regards exemptions for buyback programmes and stabilisation of financial instruments);
    (d) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2014 or, if earlier, on the expiry of 15 months from the date of the passing of this resolution unless such authority is renewed prior to such time; and
    (e) the Company may make a contract to purchase Subscription Shares under this authority before the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority, and may make a purchase of Subscription Shares in pursuance of any such contract.

Notice of Annual General Meeting (continued)

General Meetings

15. THAT as permitted by the EU Shareholders' Rights Directive (2007/36/EC) any General Meeting of the Company (other than the Annual General Meeting of the Company) shall be called by notice of at least 14 clear days in accordance with the provisions of the Articles of Association of the Company provided that the authority shall expire on the conclusion of the next Annual General Meeting of the Company, or, if earlier, on the expiry 15 months from the date of the passing of the resolution.

Adoption of New Articles of Association

16. THAT, subject to and conditional upon the passing of the special resolution set out in the notice dated 6 June 2013 convening a meeting of the holders of the subscription shares of 1p each in the capital of the Company:
    (i) the Articles of Association of the Company be and are hereby amended by deleting all the provisions of the Company's Memorandum of Association which, by virtue of section 28 Companies Act 2006, are to be treated as provisions of the Company's Articles of Association; and
    (ii) the Articles of Association set out in the document produced to this meeting and signed by the Chairman of the meeting for the purposes of identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.

    Full explanatory notes of principal changes to the Articles of Association are set out on page 61 of this Annual Report.

By order of the Board

Registered Office:
One Wood Street
London EC2V 7WS

Frostrow Capital LLP
Company Secretary
6 June 2013

Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice.
2. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolutions. If no voting indication is given, a proxy may vote or abstain from voting at his/her discretion. A proxy may vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
3. To be valid any proxy form or other instrument appointing a proxy must be completed and signed and received by post or (during normal business hours only) by hand at Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU no later than 12 noon Monday, 15 July 2013.
4. In the case of a member which is a company, the instrument appointing a proxy must be executed under its seal or signed on its behalf by a duly authorised officer or attorney or other person authorised to sign. Any power of attorney or other authority under which the instrument is signed (or a certified copy of it) must be included with the instrument.
5. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described below) will not prevent a shareholder attending the meeting and voting in person if he/she wishes to do so.
6. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

Notice of Annual General Meeting (continued)

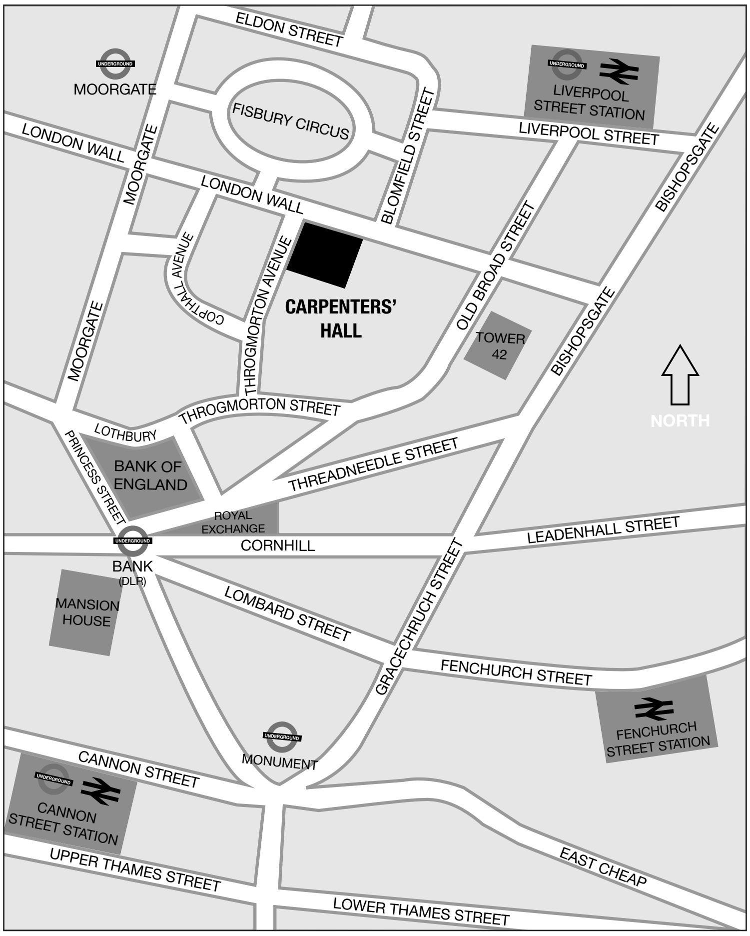
7. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 3 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
8. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only shareholders registered on the register of members of the Company (the "Register of Members") at 5.30 p.m. on Monday, 15 July 2013 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting) will be entitled to attend and vote or be represented at the meeting in respect of shares registered in their name at that time. Changes to the Register of Members after that time will be disregarded in determining the rights of any person to attend and vote at the meeting.
9. As at 6 June 2013 (being the last business day prior to the publication of this notice) the Company's issued share capital consists of 45,812,914 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 6 June 2013 are 45,812,914.
10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with the specifications of Euroclear UK and Ireland Limited ("CRESTCo"), and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) no later than 48 hours before the time appointed for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
12. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
14. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Register of Members in respect of the joint holding (the first named being the most senior).
15. Members who wish to change their proxy instructions should submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
16. Members who have appointed a proxy using the hard-copy proxy form and who wish to change the instructions using another hard-copy form, should contact Capita Registrars on 0871 664 0300 (calls cost 10p per minute plus network extras). Lines are open 8.30 a.m. to 5.30 p.m. Monday to Friday.
17. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
18. In order to revoke a proxy instruction, members will need to inform the Company. Members should send a signed hard copy notice clearly stating their intention to revoke a proxy appointment to Capita Registrars, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

    In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of attorney) must be included with the revocation notice. If a member attempts to revoke their proxy appointment but the revocation is received after the time for receipt of proxy appointments (see page 65) then, subject to paragraph 4, the proxy appointment will remain valid.
19. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of attorney) must be included with the revocation notice. If a member attempts to revoke their proxy appointment but the revocation is received after the time for receipt of proxy appointments (see above) then, subject to paragraph 4, the proxy appointment will remain valid.

Notice of Annual General Meeting (continued)

LOCATION OF THE ANNUAL GENERAL MEETING

Carpenters' Hall, Throgmorton Avenue, London EC2V 2JJ



Notice of Separate Meeting of Subscription Shareholders

Notice is hereby given that a separate general meeting of holders of subscription shares of 1p each in the capital of the Company (the "Subscription Shares") will be held at Carpenters' Hall, Throgmorton Avenue, London EC2W 2JJ on Wednesday, 17 July 2013 at 12.20 p.m. or as soon as the Annual General Meeting of the Company convened for 12 noon on the same day has concluded or been adjourned, and if this separate class meeting is adjourned due to a lack of quorum notice is hereby given that any such adjourned meeting shall be held on 29 July 2013 at 11.00 a.m. at 25 Southampton Buildings, London WC2A 1AL, for the purpose of considering and, if though fit, passing the following resolution, which will be proposed as a special resolution namely:

Adoption of New Articles of Association

THAT the meeting of the holders of Subscription Shares hereby sanctions and consent to every alteration, modification, variation or abrogation of the special rights, privileges and restrictions attaching to the Subscription Shares to be effected by the passing and implementation of the special resolution of the Company numbered 16 in the notice of the Annual General Meeting of the Company contained in the annual report and accounts of the Company dated 6 June 2013, a copy of which has been initialled by the chairman of the meeting for the purpose of identification and produced to the meeting.

By order of the Board

Registered Office:
One Wood Street
London EC2V 7WS

Frostrow Capital LLP
Company Secretary
6 June 2013

Notes

1. Only holders of Subscription Shares are entitled to attend and vote at the meeting. Holders of Ordinary Shares are not entitled to attend and vote at the meeting unless they also hold Subscription Shares. A Subscription Shareholder may appoint one or more proxies to exercise all or any of the rights of the Subscription Shareholder to attend and speak and vote in his place. A proxy need not be a member of the Company. A Subscription Shareholder may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. If a Subscription Shareholder wishes to appoint more than one proxy and so requires additional proxy forms, the shareholder should contact the Company's Registrars, Capita Registrars.
2. A form of proxy is enclosed for use by Subscription Shareholders. To be valid, the form of proxy and any power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited with the Company's Registrars, Capita Registrars or (by hand during normal business hours only) to the same address not later than 12.20 a.m. on Monday, 15 July 2013 or, if the meeting is adjourned, 48 hours before the time of the adjourned meeting. Alternatively, a proxy may be appointed online at www.capitashareportal.com by that time. Completion and return of a form of proxy (including online) will not preclude a Subscription Shareholder from attending and voting at the meeting if he or she wishes to do so.
3. The Company has specified that only those Subscription Shareholders entered on the register of members of the Company as at 5.30 p.m. on 15 July 2013 or, if the meeting is adjourned, on the register of members 48 hours before the time of the adjourned meeting shall be entitled to attend and vote at the meeting in respect of the number of Subscription Shares registered in their name at that time. Changes to the register of members after 5.30 p.m. on 15 July 2013 or, if the meeting is adjourned, after 48 hours before the time of the adjourned meeting will be disregarded in determining the rights of any person to attend and vote at the meeting or adjourned meeting (as the case may be).
4. Any person receiving a copy of this Notice as a person nominated by a member to enjoy information rights under section 146 Companies Act 2006 (a Nominated Person) should note that the provisions in Notes 1 and 2 above concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person, as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the meeting.

Notice of Separate Meeting of Subscription Shareholders (continued)

5. Terms used in this notice shall have the same meaning as in the annual report and accounts for the year ended 31 March 2013 unless otherwise defined.
6. As at 6 June 2013 (the latest practicable date before the printing of this document) the Company's total subscription share capital consisted of 2,340,166 Subscription Shares of 1p each in the capital of the Company with voting rights for this meeting. On a poll, each Subscription Shareholder shall be entitled to one vote for every subscription share held by them.
7. Subscription Shareholders have the right to ask questions at the meeting in accordance with Section 319A of the Companies Act 2006.

How to Invest

Investment Platforms

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including Investment Dealing Accounts, ISAs, Junior ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. A list of some of them, that is not comprehensive nor constitutes any form of recommendation, can be found below:

Alliance Trust Savings	http://www.alliancetrustsavings.co.uk/
Barclays Stockbrokers	https://www.barclaysstockbrokers.co.uk/Pages/index.aspx
Club Finance	http://www.clubfinance.co.uk/
Fast Trade	http://www.fastrade.co.uk/wps/portal
FundsDirect	http://www.fundsdirect.co.uk/Default.asp
Halifax Share Dealing	http://www.halifax.co.uk/Sharedealing/
Hargreaves Lansdown	http://www.hl.co.uk/
HSBC	https://investments.hsbc.co.uk/
iDealing	http://www.idealing.com/
IG Index	http://www.igindex.co.uk/
Interactive Investor	http://www.iii.co.uk/
IWEB	http://www.iweb-sharedealing.co.uk/share-dealing-home.asp
James Brearley	http://www.jbrearley.co.uk/Marketing/index.aspx
Natwest Stockbrokers	http://www.natweststockbrokers.com/nw/products-and-services/share-dealing.ashx
Saga Share Direct	https://www.sagasharedirect.co.uk/
Selftrade	http://www.selftrade.co.uk/
The Share Centre	https://www.share.com/
Sippdeal	http://www.sippdeal.co.uk/
Saxo Capital Markets	http://uk.saxomarkets.com/
TD Direct Investing	http://www.tddirectinvesting.co.uk/

Capita Registrars – Share Dealing Service

A quick and easy share dealing service is available to existing shareholders through the Company's Registrar, Capita Registrars, to either buy or sell shares. An online and telephone dealing facility provides an easy to access and simple to use service.

Type of trade	Online	Telephone
Share certificates	1% of the value of the deal (Minimum £21.00, max £125.00)	1.5% of the value of the deal (Minimum £28.50, max £175.00)

There is no need to pre-register and there are no complicated forms to fill in. The online and telephone dealing service allows you to trade 'real time' at a known price which will be given to you at the time you give your instruction.

To deal online or by telephone all you need is your surname, shareholder reference number, full postcode and your date of birth. Your shareholder reference number can be found on your latest statement or certificate where it will appear as either a 'folio number' or 'investor code'. Please have the appropriate documents to hand when you log on or call, as this information will be needed before you can buy or sell shares.

For further information on this service please contact: www.capitadeal.com (online dealing) or 0871 664 0364† (telephone dealing)

If calling from outside of the UK please dial +44 (0) 203 367 2686

† Calls cost 10p per minute plus network extras and may be recorded for training purposes. Lines are open from 8.00 a.m. to 4.30 p.m. Monday to Friday.

How to Invest (continued)

The Share Dealing Service is provided by Capita IRG Trustees Limited which has issued and approved the preceding paragraphs. Capita IRG Trustees Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU is registered in England and Wales with number 2729260. Capita IRG Trustees Limited is authorised and regulated by the Financial Conduct Authority and is also authorised to conduct cross-border business in the EEA under the provisions of the EU Markets in Financial Investments Directive.

RISK WARNINGS

– Past performance is no guarantee of future performance.

– The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined by the changing conditions in the relevant stockmarkets in which the Company invests and by the supply and demand for the Company's shares.

– As the shares in an investment trust are traded on a stockmarket, the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares; where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons, investors may not get back the original amount invested.

– Although the Company's financial statements are denominated in sterling, it may invest in stocks and shares that are denominated in currencies other than sterling and to the extent they do so, they may be affected by movements in exchange rates. As a result, the value of your investment may rise or fall with movements in exchange rates.

– Investors should note that tax rates and reliefs may change at any time in the future.

– The value of ISA and Junior ISA tax advantages will depend on personal circumstances. The favourable tax treatment of ISAs and Junior ISAs may not be maintained.

Glossary

Diluted Net Asset Value
This is a method of calculating the net asset value ("NAV") of a company that has issued, and has outstanding, convertible loan stocks, warrants, subscription shares or options. The calculation assumes that the holders have exercised their right to convert or subscribe, thus increasing the number of shares among which the assets are divided.

Discount or Premium
A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

Gearing
Calculated using the Association of Investment Companies definition.

Total assets, less current liabilities (before deducting any prior charges) minus cash/cash equivalents divided by Shareholders' funds, expressed as a percentage.

For years prior to 2013, the calculation was based on prior charges as a percentage of average net assets.

LIBOR-OIS Spread
This is the difference between LIBOR and the Overnight Indexed Swap (OIS) rates. The spread between the two rates is considered to be a measurement of health of the banking system.

London Interbank Offered Rate (LIBOR)
The interest rate at which banks can borrow unsecured funds from other banks in London wholesale money markets, as measured by daily surveys of the British Bankers' Association. The published rate is a trimmed average of the rates obtained in the survey.

NAV per share (pence)
The value of the Company's assets, principally investments made in other companies and cash being held, minus any liabilities. The NAV is also described as 'shareholders' funds' per share. The NAV is often expressed in pence per share after being divided by the number of shares which have been issued. The NAV per share is unlikely to be the same as the share price which is the price at which the Company's shares can be bought or sold by an investor. The share price is determined by the relationship between the demand and supply of the shares.

NAV Total Return
The theoretical total return on shareholders' funds per share, including the assumed £100 original investment at the beginning of the period specified, reflecting the change in NAV assuming that dividends paid to shareholders were reinvested at NAV at the time the shares were quoted ex-dividend. A way of measuring investment management performance of investment trusts which is not affected by movements in discounts/premiums.

Ongoing Charges
Ongoing charges are calculated by taking the Company's annualised ongoing charges, excluding performance fees and exceptional items, and dividing by the average month end net asset value of the Company over the year.

The publishing of ongoing charges information rather than a total expense ratio (TER) is advocated by the Association of Investment Companies who believe that using a single methodology to calculate ongoing charges will help reduce inconsistencies and allow investors and advisers to compare investment companies more easily with open-ended funds.

Overnight Indexed Swap (OIS)
An interest rate swap that serves as a measure of investor expectations of an average effective overnight rate over the term of the swap.

Rehypothecation
The pledging to banks by securities brokers of the assets in a customer's margin account used as collateral for a loan.

Total Assets
Total assets less current liabilities before deducting prior charges. Prior charges include all loans for investment purposes.

Treasury Shares
Shares previously issued by a company that have been bought back from shareholders to be held by the company for potential sale or cancellation at a later date. Such shares are not capable of being voted and carry no rights to dividends.

Company Information

DIRECTORS
Sir Martin Smith (Chairman)
Sarah Bates
Jo Dixon
Dr David Holbrook
Samuel D. Isaly
Doug McCutcheon
Anthony Townsend

COMPANY REGISTRATION NUMBER
3023689 (Registered in England)
The Company is an investment company as defined under Section 833 of the Companies Act 2006

The Company was incorporated in England and Wales on 14 February 1995. The Company was incorporated as Finsbury Worldwide Pharmaceutical Trust PLC.

WEBSITE
Website: www.worldwidewh.com

REGISTERED OFFICE
One Wood Street
London EC2V 7WS

INVESTMENT MANAGER
OrbiMed Capital LLC
601 Lexington Avenue, 54th Floor
New York NY 10022
Website: www.orbimed.com
Registered under the U.S. Securities & Exchange Commission

MANAGER, ADMINISTRATOR AND COMPANY SECRETARY
Frostrow Capital LLP
25 Southampton Buildings, London WC2A 1AL
Telephone: 0203 008 4910
E-mail: info@frostrow.com
Website: www.frostrow.com
Authorised and regulated by the Financial Conduct Authority

If you have an enquiry about the Company or if you would like to receive a copy of the Company's monthly fact sheet by e-mail, please contact Frostrow Capital using the above e-mail address.

CUSTODIAN AND BANKER
Goldman Sachs & Co.
200 West Street, Third Floor
New York, NY10282

AUDITORS
Ernst & Young LLP
1 More London Place
London SE1 2AF

REGISTRARS
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
Telephone (in UK): 0871 664 0300†
Telephone (from overseas): + 44 208 639 3399
Facsimile: + 44 (0) 1484 600911
E-mail: ssd@capitaregistrars.com
Website: www.capitaregistrars.com

Please contact the Registrars if you have a query about a certificated holding in the Company's shares.

†calls cost 10p per minute plus network charges and may be recorded for training purposes. Lines are open from 8.30 a.m. to 5.30 p.m. Monday to Friday.

STOCKBROKER
Winterflood Securities Limited
The Atrium Building
Cannon Bridge, 25 Dowgate Hill
London EC4R 2GA

SHARE AND SUBSCRIPTION SHARE PRICE LISTINGS
The price of your shares and subscription shares can be found in various publications including the Financial Times, The Daily Telegraph, The Times and The Scotsman.

The Company's net asset value per share is announced daily and is available, together with the share price, on the TrustNet website at www.trustnet.com.

IDENTIFICATION CODES

Shares:	SEDOL	:	0338530
	ISIN	:	GB0003385308
	BLOOMBERG	:	WWH LN
	EPIC	:	WWH
Subscription Shares:	SEDOL	:	B3VMCB0
	ISIN	:	GB00B3VMCB07
	BLOOMBERG	:	WWHS LN

London Stock Exchange
LISTED
PREMIUM

DISABILITY ACT
Copies of this annual report and other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats, including Braille, audio tape or larger type as appropriate. You can contact the Registrar to the Company, Capita Registrars, which has installed telephones to allow speech and hearing impaired people who have their own telephone to contact them directly, without the need for an intermediate operator, for this service please call 0800 731 1888. Specially trained operators are available during normal business hours to answer queries via this service. Alternatively, if you prefer to go through a 'typetalk' operator (provided by the RNID) you should dial 18001 followed by the number you wish to dial.

The Association of
Investment Companies

The Company is a member of the Association of Investment Companies.

Worldwide Healthcare Trust PLC
25 Southampton Buildings, London WC2A 1AL
www.worldwidewh.com

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