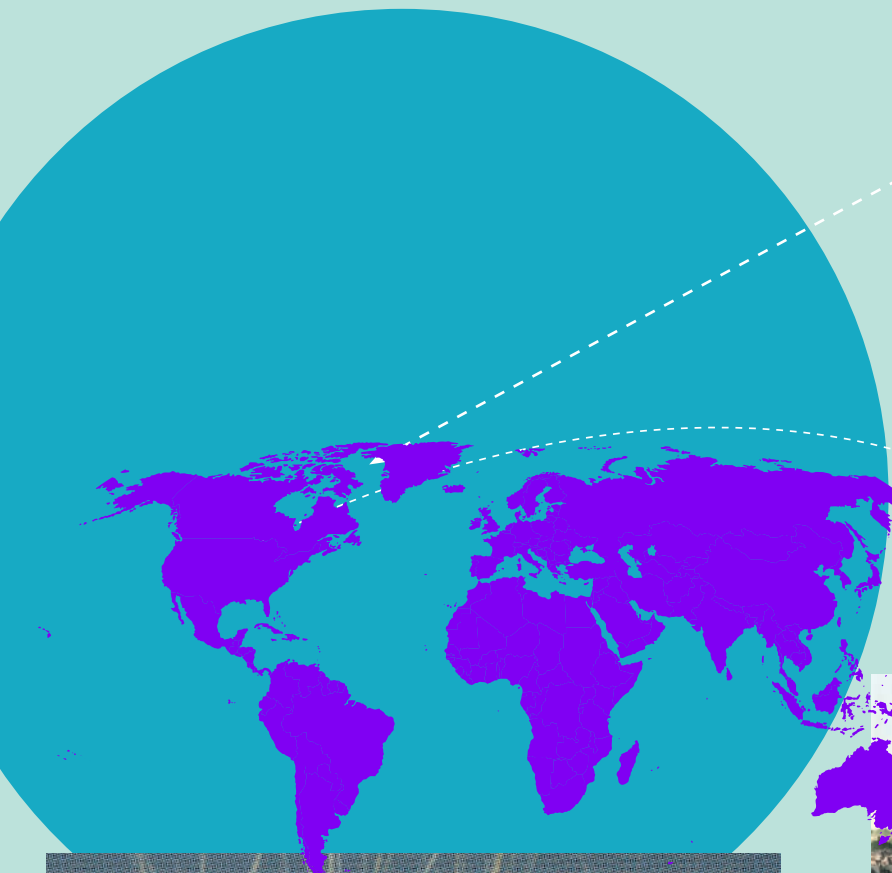
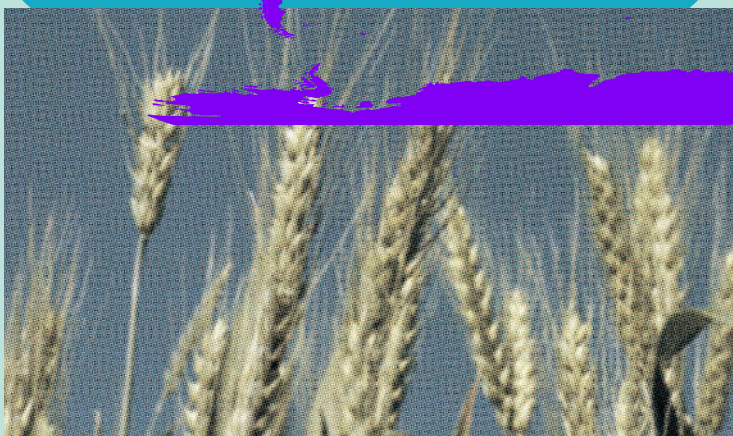


woodford

**WOODFORD PATIENT CAPITAL TRUST PLC**  
**HALF-YEARLY FINANCIAL REPORT**  
For the six months ended 30 June 2017



**"UNQUOTED"**



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## **SUMMARY OF INVESTMENT OBJECTIVE**

**THE COMPANY'S INVESTMENT OBJECTIVE IS TO ACHIEVE LONG-TERM CAPITAL GROWTH THROUGH INVESTING IN A DIVERSIFIED PORTFOLIO WITH A FOCUS ON UK COMPANIES, BOTH QUOTED AND UNQUOTED.**

**THE COMPANY WILL AIM TO DELIVER A RETURN IN EXCESS OF 10 PER CENT PER ANNUM OVER THE LONGER TERM\*.**

**\* THIS IS A TARGET ONLY, NOT A PROFIT FORECAST, AND THERE CAN BE NO ASSURANCE THAT IT WILL BE MET.**

## INVESTMENT POLICY

### Asset allocation and risk diversification

The Company invests in a diversified portfolio with a focus on UK companies (either incorporated in the UK or traded on a UK exchange), both quoted and unquoted. As these companies evolve, the geographical profile of the portfolio may also change to become more global in nature for reasons such as an overseas listing or as the result of changes to the capital value of a non-UK company.

### The Company invests in:

- early-stage companies, which are likely to include both quoted and unquoted companies; and
- mid- and large-capitalisation quoted, mature companies.

The actual portfolio composition at any one time will reflect the opportunities available to the Portfolio Manager, the performance of the underlying investee companies and the maturity of the portfolio.

The Company's portfolio will typically consist of 50-100 holdings. The Company may become a significant shareholder in any of the underlying portfolio companies.

The Company's portfolio is constructed on the basis of an assessment of the fundamental value of individual securities and will not be structured on the basis of sector weightings. The Company's portfolio is diversified across a number of sectors and, while there are no specific limits placed on exposure to any one sector, the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

### Investment restrictions

The Company is subject to the following investment restrictions:

- investment in unquoted companies will be limited to 80 per cent of net asset value at the time of investment;
- the Company's portfolio shall be invested in a minimum of 40 holdings;
- the Company shall not invest more than 10 per cent of its net asset value at the time of initial investment in an investee company save that the Portfolio Manager may make further investments into an investee company subject to an aggregate investment limit in any investee company of 20 per cent of net asset value at the time of investment;
- the Company may invest in other investment funds, including listed closed-ended investment funds, to gain investment exposure, but such investment will be unleveraged and (other than in relation to investment in money market funds for the purposes of cash management) limited, in aggregate, to 10 per cent of net asset value at the time of investment; and
- with respect to cash deposits, the Company shall not have exposure of more than 10 per cent of net asset value, at the time of investment, to any one issuer.

### Borrowing

The Company may employ gearing of up to 20 per cent of net asset value, calculated at the time of borrowing, for the purpose of capital flexibility, including for investment purposes.

The Board will oversee the level of gearing in the Company, and will review the position with the Portfolio Manager on a regular basis.

### Hedging

The Company may use derivatives for the purposes of hedging any currency risk to which the Company may be subject but will not use derivatives for investment purposes.

### Cash management

While it is intended that the Company will be fully invested in normal market conditions, the Company may hold cash on deposit or invest on a temporary basis in a range of debt securities and cash equivalent instruments. There is no restriction on the amount of cash or cash equivalent instruments that the Company may hold and there may be times when it is appropriate for the Company to have a significant cash position instead of being fully or near fully invested.



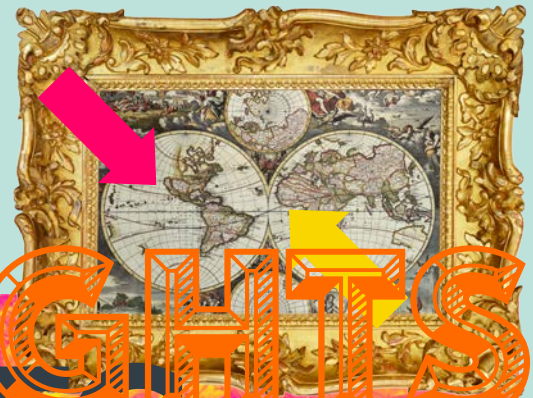
## FINANCIAL HIGHLIGHTS

	30 June 2017	30 June 2016	31 December 2016
Net assets	£833,076,000	£717,893,000	£771,093,000
<b>Net asset value and share price</b>	<b>30 June 2017 Pence</b>	<b>30 June 2016 Pence</b>	<b>31 December 2016 Pence</b>
Net asset value per share	100.73	86.81	93.24
Share price	97.40	84.10	91.00
<b>Net asset value and share price performance</b>	<b>30 June 2017 %</b>	<b>30 June 2016 %</b>	<b>31 December 2016 %</b>
Increase/(decrease) in net asset value	8.0	(12.2)	(4.2)
Increase/(decrease) in share price	7.0	(17.5)	(9.9)
Share price discount to net asset value	(3.3)	(3.1)	(2.4)

Global evolution

Most holdings in the Company's portfolio emanate from the UK but, as they grow, some will evolve into global businesses.

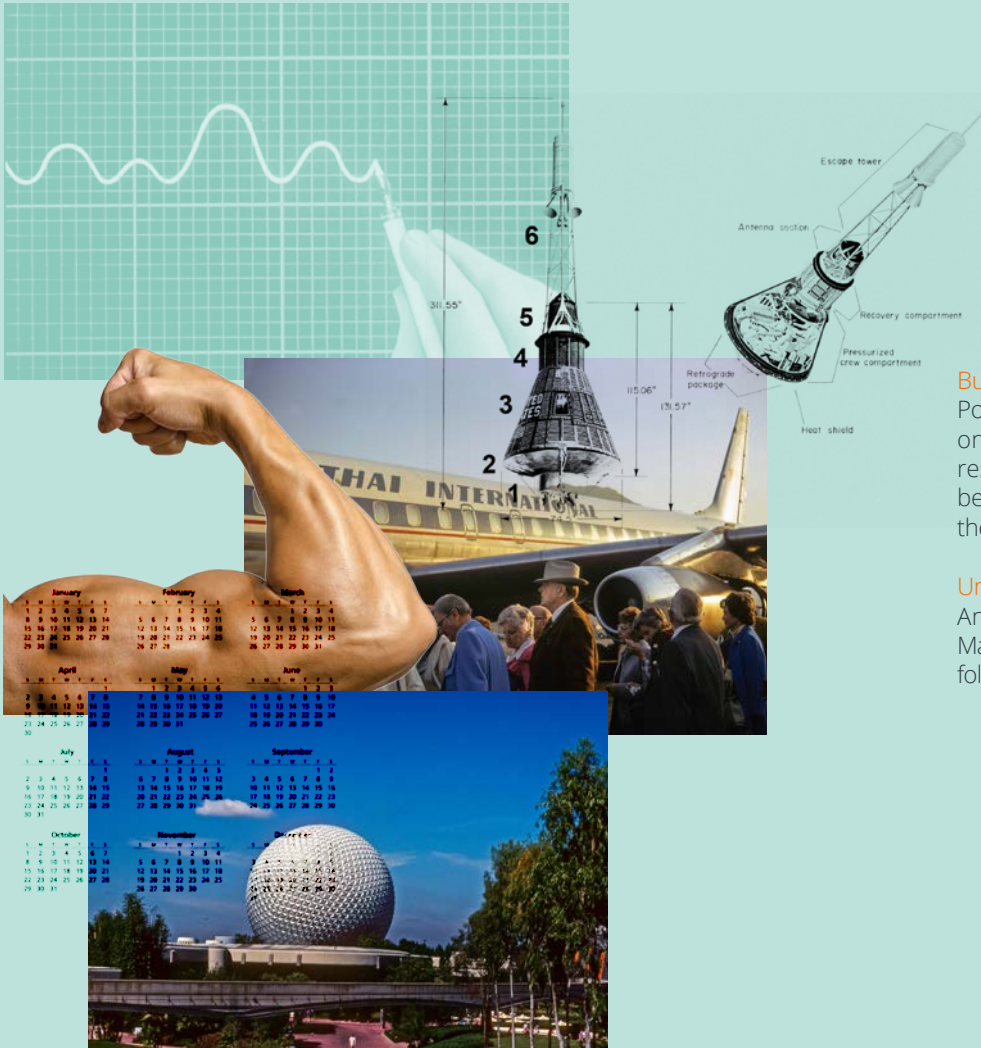
# HIGHLIGHTS



Low cost

Annual costs, including all transaction fees, of 0.2 per cent – no fee paid to Portfolio Manager unless cumulative returns in excess of 10 per cent are met.





### Building conviction

Portfolio may become more concentrated on key investments as value emerges, resulting in some holdings potentially becoming very significant as a proportion of the Company's portfolio.

### Unconstrained

An investment policy that gives the Portfolio Manager the flexibility to capture growth and follow-on investment opportunities.

### Diversified portfolio

The money raised at launch is fully deployed across a mix of unquoted and quoted securities.

### Operational milestones

Encouraging progress of holdings against commercial and technical milestones, the key performance indicator for the Company's long-term strategy.

# CHAIRMAN'S STATEMENT



## CHAIRMAN'S STATEMENT

The Board's main focus is on whether the businesses in the portfolio are making operational progress and achieving milestones – these, in the Board's view, are the key performance indicators in this unique portfolio of quoted and unquoted assets. However, it is pleasing to report that the demonstrable progress of many of the businesses in the portfolio has been reflected in some higher valuations during the period under review.

In the first six months of 2017, the Company's share price has increased by 7% and its net asset value (NAV) by 8.0%. During the period the Company traded at an average 5% discount to its net asset value.

The Company continues to attract support from a wide variety of different investors for whom this represents a unique, long-term portfolio of disruptive high-potential technology businesses.

A full analysis of performance during the period follows in Neil Woodford's Manager's Review. However, to summarise, it is pleasing to see some of the clear operational progress that Neil has seen in the portfolio, starting to be reflected in the Company's NAV.

In our regular meetings with Neil and the Woodford investment team, their confidence in the portfolio has been consistently clear from the outset, as has their passion for supporting and nurturing early-stage businesses with outstanding and disruptive technology.

The Board shares this confidence and expects further long-term success. Given the nature of investing in this space, it is impossible to determine the exact nature of this success, or the timing, but it should be expected that the portfolio in five years' time will look substantially different to the one that we report on today.

With this in mind, at the Annual General Meeting in June, shareholders voted on and approved a series of changes to the Company's investment policy, that are designed to give Neil the flexibility required to manage the portfolio as these stock-specific successes unfold. Indeed, as the portfolio matures and produces this success, the Board remains convinced that the Company will deliver the attractive long-term returns from this unique investment proposition that were envisaged at launch.

The Board would like to thank shareholders for patiently sharing this journey and would encourage shareholders to sign up to the Woodford website to receive regular news and views on the Company. Not only is the level of detail and transparency on regular communications from Woodford exceptional in the Board's view, but it also offers shareholders a platform to share any questions they may have with the Woodford team.

Susan Searle

Chairman  
3 August 2017

## PORTFOLIO MANAGER'S REVIEW

In the Company's annual report, I emphasised that the operational progress of many of the holdings in the portfolio were exceeding expectations and suggested that it was only a matter of time before this progress started to be reflected in valuations. It is pleasing that this has started to come through in terms of performance but the share price and NAV progress we have seen in recent months is insubstantial in the context of what, I believe, lies ahead.

### Positive progress

The largest contribution to returns came from hybrid real estate agency business Purplebricks, which began its association with the portfolio as an unquoted business before pursuing a stock market listing in late 2015.

Growth throughout this period has been nothing short of exceptional, as the management team have successfully executed their ambitious plans to dominate the UK's nascent online estate agency industry, while at the same time, significantly disrupt the traditional estate agency model. Its rapid progress in the UK has emboldened the management team to replicate their business model in other territories, launching in Australia last year and announcing plans to establish a US presence earlier this year.

In the period under review, shares in Purplebricks more than trebled in price, reflecting the success that the business is demonstrating in the UK and increasingly overseas. I am also confident there is more significant growth to come for the business in the years ahead.

Elsewhere among the quoted positions, we saw a solid contribution from US biotechnology businesses Theravance Biopharma and Prothena, and an impressive return from the UK gene-editing services business Horizon Discovery. Indeed, since the period end, Horizon has announced a deal to acquire GE's gene technology business, Dharmacon, which further strengthens its position in this exciting and fast-evolving field.

There were also some good returns delivered by the unquoted portfolio, with British immuno-oncology business Immunocore among the highlights. Our website readers may remember that we focused on the opportunity that lies ahead for Immunocore in a company spotlight last year. At ASCO, the world's biggest oncology conference, the company announced very compelling data from its lead programme, investigating IMCgp100 in metastatic uveal melanoma, a rare form of cancer with no current treatment options. The data shows a meaningful improvement in progression-free survival for patients with the condition. Effectively, the data showed that the drug doubles the length of time the condition stays stable without progressing further.

With the drug already having orphan drug designation in the US, the company now intends to rapidly progress the treatment through clinical development to make it available to patients as soon as possible.

This is clearly great news for Immunocore and the valuation at which the position is held in the portfolio has been uplifted to reflect the positive data. Looking forward, we remain very confident that Immunocore can deliver significant further growth as it progresses towards the commercialisation of its highly promising technology and advances additional development candidates towards the clinic.

Meanwhile, Ultrahaptics was revalued upwards following the successful completion of a further funding round that will provide additional capital needed to support the company's global expansion and its entry into virtual and augmented reality markets. I remain delighted with the progress that Ultrahaptics is demonstrating and remain very excited about its long-term prospects – capturing just a small fraction of the potential that exists for the company's innovative technology will result in substantial shareholder value being created.

Oxford Nanopore, Gigaclear and Autolus also saw uplifts to reflect the progress they are making on their way towards scaled commercial enterprises. Meanwhile, evergreen investor Arix Bioscience, and disruptive online mattress retailer Eve Sleep, successfully made the transition from unquoted to quoted via their successful market IPOs in February and May, respectively.

### Overcoming hurdles

It wasn't all plain sailing, of course – it never is. The share prices of several quoted businesses declined during the period. Some of these declines were to an extent justified, but some of them should be seen in the context of a stock market that often struggles to effectively value businesses that may be many years away from generating revenues.

Allied Minds was a key negative performer, following the announcement in April that it would discontinue funding seven subsidiaries. It is my view that the market has overreacted to this announcement. I remain attracted to the Allied Minds investment case – indeed I remain a strong supporter of the broader intellectual property commercialisation sector. The businesses I have backed have diverse portfolios of young, disruptive businesses with significant long-term potential.

The model works best, in my view, when small amounts of capital are deployed at a very early-stage to help establish businesses and evidence the potential of their technology. More capital is selectively deployed as and when those companies demonstrate successful progress against subsequent milestones. Indeed, that is the model that we deploy for the Company. As is natural in this space, not all of them will fulfil their potential, and so it can become necessary to withdraw support and funding from certain businesses. These are obviously difficult decisions but it is an important discipline and sends a positive message to shareholders about a management team's intent.

We never believed that all of Allied Minds' subsidiaries would succeed and we have built our positive investment case for the stock around the value that we see in its portfolio of more successful subsidiaries. These include businesses such as Federated Wireless, Scifluor and Precision Biopsy, into which we have also directly invested for the Company's portfolio.

## PORTFOLIO MANAGER'S REVIEW (CONTINUED)

By crystallising value in businesses that are not demonstrating the progress that had been hoped for, Allied Minds can focus more aggressively on the companies that are rapidly progressing towards their commercial goals and reallocate capital towards new ideas. In that respect, we believe the strategy is sensible and will help to accelerate the creation of long-term value for shareholders. We expect to hear positive news from these more promising businesses through the remainder of this year and into next.

Elsewhere, shares in 4D Pharma declined, despite continued positive progress in the development of its live biotherapeutic therapies. Similarly, ReNeuron also declined, despite the fact that the company announced very positive data in its stroke trial. In each of these instances, we remain very attracted to a long-term commercial opportunity that is being substantially overlooked by the market.

By way of example, ReNeuron, a leading clinical-stage stem cell business, had a market capitalisation at period end of £54m. At its latest financial year end (31 March 2017), the company held £53m in cash on its balance sheet, meaning that the stock market is effectively ascribing a value of £1m to the future value of this company's world-class technology. This appears ludicrous, in my view, but it also serves as an effective demonstration of how market inefficiencies can lead to compelling long-term investment opportunities.

### New entrants

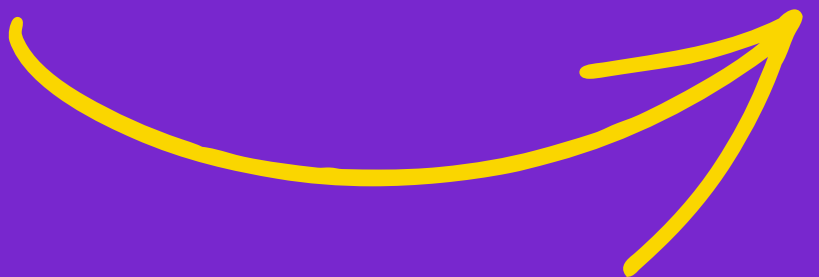
In terms of portfolio activity, we introduced Novabiotics, a clinical-stage biotechnology company focused on developing first-in-class therapies for difficult-to-treat diseases, and we also participated in follow-on funding rounds for several companies. These included Inivata (a liquid biopsy technology company), Ombu (an early-stage investment company focused on industrial sectors), Atom Bank (a digital challenger bank) and Ultrahaptics, which is mentioned above. We also took advantage of temporary share price weakness to add to the portfolio's positions in Prothena, Theravance Biopharma and Thin Film Electronics. The portfolio's position in Utilitywise was sold in May.

### Looking ahead

Overall, the portfolio is in excellent shape and we remain very confident in the long-term return outlook from here. I said in the annual report that I could see the fundamental progress that our businesses were delivering and that it was only a matter of time before this progress started to be reflected in valuations. It is pleasing that this has started to come through in terms of performance but the best is yet to come, in my view. I remain very confident that this portfolio will deliver the attractive double-digit annualised returns that we set out to deliver at launch.

Neil Woodford

Fund Manager  
3 August 2017







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Proton Partners International (unquoted)  
% of total portfolio assets 4.12

Proton Partners International is on track to introduce the UK's first cancer centres offering high energy proton beam therapy to cancer patients. New compact equipment has significantly improved the cost benefit of proton beam therapy versus conventional radiotherapy. Clinically, proton beam therapy should provide better outcomes for patients with certain types of cancers, such as prostate cancer, as it reduces the damage to peripheral tissue and organs. In July 2017, the company successfully fired its first high energy proton beam, two months ahead of schedule, in its Rutherford Cancer Centre in Newport. Proton Partners will also install cyclotrons (its proton beam therapy system) across its other treatment centres, which are currently under development in Northumberland and in Reading's Thames Valley Science Park. Proton Partners also marked their international expansion by securing a contract to manage and install their proton beam therapy technology in a private clinic in Abu Dhabi, UAE.

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Mereo BioPharma  
% of total portfolio assets 4.06

A UK-based specialty biopharmaceutical company formed in March 2015 by a highly experienced team to acquire and develop early-stage assets from major pharmaceutical companies. WPCT helped fund its acquisition of an initial portfolio of three programmes, all with proof of concept, from Novartis in July 2015 and, 11 months later, in July 2016 the company listed on London Stock Exchange's AIM market. This provided a positive uplift to the company's valuation in the Company's portfolio. Its potential treatment for chronic obstructive pulmonary disease (COPD), BCT-197, and its enzyme inhibitor, BGS-649, for treating hypogonadotropic hypogonadism are currently in phase II studies. Data from these trials is expected to be released towards the end of 2017. Meanwhile, Mereo also initiated a phase II trial for BPS-804, its fully human monoclonal antibody which aims to improve bone density in brittle bone syndrome. The company expects to report on this study in mid-2018. Mereo has the potential to create substantial long-term shareholder returns by commercialising assets itself or by extracting value through out-licensing deals.

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Oxford Sciences Innovation (unquoted)  
% of total portfolio assets 3.30

An Oxford-based investment company which provides long-term, patient capital to young, innovative businesses formed on technology and intellectual property emanating from Oxford University. The company aims to commercialise world-beating IP originating from a wide range of scientific fields, including healthcare, computer science and engineering. Existing portfolio companies include Vaccitech (which develops viral vector vaccines, good at treating recalcitrant illnesses such as prostate cancer) and Evox Therapeutics (which aims to develop an entirely novel class of biotherapeutics based on harnessing and engineering exosome proteins). Following the successful fundraising in the final quarter of 2016, the company continued to deploy capital and build its portfolio of highly innovative companies. As of the end of March this year, Oxford Sciences Innovation held 35 early-stage businesses within its portfolio, up from just 13 at the end of March 2016.

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Atom Bank (unquoted)  
% of total portfolio assets 2.82

A fintech company that was formed in 2014 as a challenger bank and became part of the trust's portfolio in August 2015. The company was built as a mobile-first bank and, by using modern, cutting-edge technology, Atom has developed a completely digital platform that enables it to deliver superior services to consumers and businesses, without bearing the heavy costs of a branch network. At the company's helm sits an experienced management team led by Chief Executive Officer Mark Mullen, ex-CEO of First Direct (the UK's first branchless bank), and Anthony Thomson, the company's Chairman, who is the ex-founder and former Chairman of Metro Bank, the first bank approved in the UK in over 150 years. The Bank's annual results in July 2017 highlighted its emerging growth: it now has almost 18,000 savings customers saving around £700m with the bank, while customer lending increased from £99m to £700m over the six months to the end of June.

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Gigaclear (unquoted)  
% of total portfolio assets 2.70

An unquoted telecommunications business which focuses on designing, building and operating superfast, pure-fibre broadband networks for rural areas in the UK. Founded in 2010 by its Chief Executive and industry veteran Matthew Hare, Gigaclear identified this underinvested market as an attractive business opportunity, connecting communities that larger broadband infrastructure providers have tended to neglect. The company aims to deliver a world-class fibre-to-the-premises (FTTP) broadband service to its residential and commercial customers. By the end of 2016, Gigaclear operated networks across 13 counties, serving over 30,000 properties. In May 2017, it announced £111m in additional equity funding, which will enable a significant acceleration in the build rate of FTTP networks across multiple counties. It aims to pass 65,000 properties by the end of 2017 and 175,000 by 2018.

## PORTFOLIO COMPOSITION

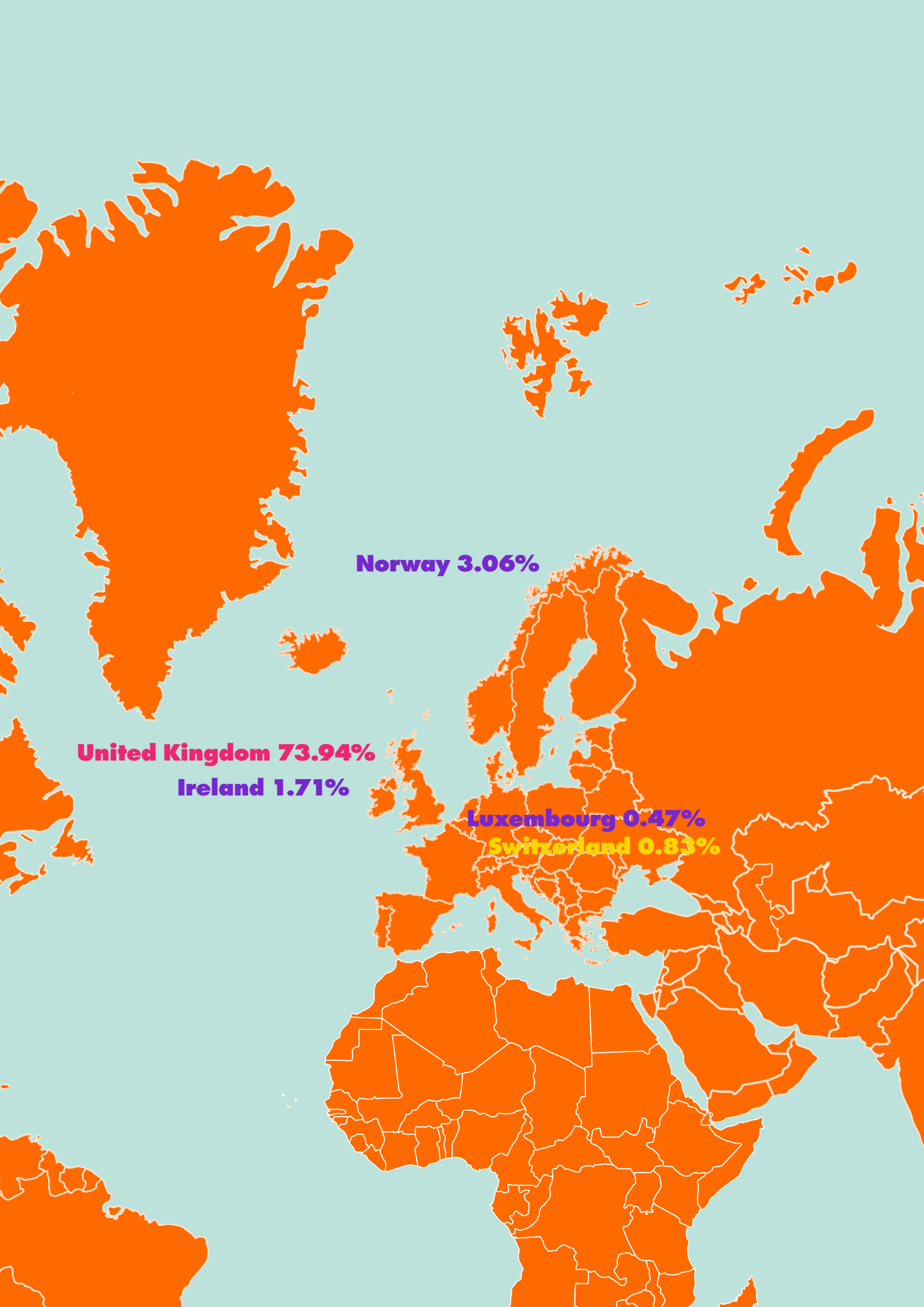
Listing status	End weight %
01 Quoted	64.05
02 Unquoted	52.98
03 Cash	-17.03

Industry	End weight %
01 Basic Materials	0.26
02 Consumer Goods	1.86
03 Financials	32.00
04 Health Care	66.73
05 Industrials	6.37
06 Technology	7.11
07 Telecommunications	2.70
08 Cash	-17.03

Source: Woodford

Totals more than 100 per cent due to overdraft facility.





**Norway 3.06%**

**United Kingdom 73.94%**

**Ireland 1.71%**

**Luxembourg 0.47%**

**Switzerland 0.83%**

## INTERIM MANAGEMENT REPORT & DIRECTORS' RESPONSIBILITY STATEMENT

### Interim Management Report

The important events that have occurred during the period under review, the key factors influencing the financial statements and the principal risks and uncertainties for the remaining six months of the financial year are set out in the Chairman's Statement on page 11 and the Portfolio Manager's Review on pages 12 to 14.

The principal risks facing the Company are unchanged since the date of the Annual Report and Accounts for the year ended 31 December 2016 and continue to be as set out in that report on pages 23 and 24.

Risks faced by the Company include, but are not limited to, Portfolio Manager failure and/or concentration risk, Portfolio Manager and key man risk, outsourced service provider model risk, market risk, currency risk, interest rate risk, other price risk, liquidity risk and credit risk.

### Directors' Responsibility Statement

In accordance with the Disclosure Guidance and Transparency Rules, the Directors confirm to the best of their knowledge:

- a) The condensed set of financial statements contained within the half-yearly financial report has been prepared in accordance with FRS 104 'Interim Financial Reporting' issued by the Financial Reporting Council; and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- b) The Interim Management Report, together with the Chairman's Statement and Manager's Report, includes a fair review, as required by Disclosure Guidance and Transparency Rule 4.2.7R, of important events that have occurred during the first six months of the financial year, their impact on the condensed set of financial statements, and a description of the principal risks and perceived uncertainties for the remaining six months of the financial year; and
- c) The Interim Management Report includes a fair review of the information concerning related parties' transactions as required by Disclosure Guidance and Transparency Rule 4.2.8R.

Signed on behalf of the Board of Directors by:

Susan Searle

Chairman  
3 August 2017

## INDEPENDENT REVIEW REPORT

### Introduction

We have reviewed the condensed set of financial statements in the half-yearly financial report of the Company for the six months ended 30 June 2017 which comprises the income statement, the statement of financial position, the statement of changes in equity, the cash flow statement, and the related explanatory notes. We have read the other information contained in the half-yearly financial report which comprises only the Financial highlights, the Chairman's statement, the Portfolio Manager's review, the interim management report & Directors' responsibility statement and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company's members, as a body, in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review 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 independent review 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 review work, for this report, or for the conclusion we have formed.

### Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2, the annual financial statements of the company are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with Financial Reporting Standard 104 'Interim Financial Reporting'.

### Our responsibility

Our responsibility is to express a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with Financial Reporting Standard 104 'Interim Financial Reporting' and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

GRANT THORNTON UK LLP  
Statutory Auditor, Chartered Accountants  
30 Finsbury Square  
London  
EC2P 2YU

3 August 2017

## INCOME STATEMENT

for the six months ended 30 June 2017 (unaudited)

	Notes	(Unaudited) Six months to 30 June 2017			(Unaudited) Six months to 30 June 2016			(Audited) Year ended 31 December 2016		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on financial instruments measured at fair value through profit or loss	9	0	63,664	63,664	0	(86,343)	(86,343)	0	(32,193)	(32,193)
Income	3	188	0	188	920	0	920	1,255	0	1,255
Portfolio Management fee	4	0	0	0	0	0	0	0	0	0
Other expenses	5	(787)	0	(787)	(601)	0	(601)	(1,367)	0	(1,367)
<b>Return before finance costs &amp; taxation</b>		<b>(599)</b>	<b>63,664</b>	<b>63,065</b>	<b>319</b>	<b>(86,343)</b>	<b>(86,024)</b>	<b>(112)</b>	<b>(32,193)</b>	<b>(32,305)</b>
Finance costs	6	(1,082)	0	(1,082)	(80)	0	(80)	(599)	0	(599)
<b>Return on ordinary activities before taxation</b>		<b>(1,681)</b>	<b>63,664</b>	<b>61,983</b>	<b>239</b>	<b>(86,343)</b>	<b>(86,104)</b>	<b>(711)</b>	<b>(32,193)</b>	<b>(32,904)</b>
Taxation on ordinary activities	7	0	0	0	0	0	0	0	0	0
<b>Return for the period</b>		<b>(1,681)</b>	<b>63,664</b>	<b>61,983</b>	<b>239</b>	<b>(86,343)</b>	<b>(86,104)</b>	<b>(711)</b>	<b>(32,193)</b>	<b>(32,904)</b>
<b>Return per ordinary share (pence):</b>		<b>(0.20)p</b>	<b>7.70p</b>	<b>7.50p</b>	<b>0.03p</b>	<b>(10.44)p</b>	<b>(10.41)p</b>	<b>(0.09)p</b>	<b>(3.89)p</b>	<b>(3.98)p</b>

The notes on pages 26 to 32 part of these accounts.

The total column of this statement is the profit and loss account of the Company.

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

There is no other comprehensive income.

## STATEMENT OF FINANCIAL POSITION

as at 30 June 2017 (unaudited)

	Notes	(Unaudited) 30 June 2017 £'000	(Unaudited) 30 June 2016 £'000	(Audited) 31 Dec 2016 £'000
<b>Fixed assets</b>				
Investments at fair value through profit or loss	9	975,816	779,222	841,159
<b>Current assets</b>				
Derivative financial instruments at fair value through profit or loss	12	2,458	0	5,730
Debtors	10	19	15	38
		2,477	15	5,768
<b>Creditors – amounts falling due within one year</b>				
Derivative financial instruments at fair value through profit or loss	12	(963)	(1,424)	(996)
Other creditors	11	(2,120)	(4,884)	(198)
Bank overdraft	11	(142,134)	(55,036)	(74,640)
		(145,217)	(61,344)	(75,834)
<b>Net current liabilities</b>		(142,740)	(61,329)	(70,066)
<b>Total assets less current liabilities</b>		833,076	717,893	771,093
<b>Net assets</b>		833,076	717,893	771,093
<b>Capital and reserves</b>				
Share capital	13	8,270	8,270	8,270
Share premium	14	813,099	813,099	813,099
Capital reserve	15	13,884	(103,930)	(49,780)
Revenue reserve	16	(2,177)	454	(496)
<b>Total shareholders' funds</b>		833,076	717,893	771,093
<b>Net asset value per share – ordinary shares (pence)</b>		100.73p	86.81p	93.24p

The notes on pages 26 to 32 form part of these accounts.

## STATEMENT OF CHANGES IN EQUITY

movement for the six months ended 30 June 2017 (unaudited)

	Share capital £'000	Share premium account £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Beginning of year	8,270	813,099	(49,780)	(496)	771,093
Total comprehensive income for the financial period	0	0	63,664	(1,681)	61,983
Balance at 30 June 2017	8,270	813,099	13,884	(2,177)	833,076

Movement for the six months ended 30 June 2016 (Unaudited)

	Share capital £'000	Share premium account £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Beginning of year	8,270	813,043	(17,587)	1,538	805,264
Total comprehensive income for the financial period	0	0	(86,343)	239	(86,104)
Share issue costs written back	0	56	0	0	56
Dividends paid	0	0	0	(1,323)	(1,323)
Balance at 30 June 2016	8,270	813,099	(103,930)	454	717,893

Movement for the year to 31 December 2016 (Audited)

	Share capital £'000	Share premium account £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Beginning of year	8,270	813,043	(17,587)	1,538	805,264
Total comprehensive income for the financial year	0	0	(32,193)	(711)	(32,904)
Share issue costs written back	0	56	0	0	56
Dividends paid	0	0	0	(1,323)	(1,323)
Balance at 31 December 2016	8,270	813,099	(49,780)	(496)	771,093

Distributable reserves comprise: the revenue reserve and capital reserves attributable to realised profits.

Share capital represents the nominal value of shares that have been issued. The share premium account includes any premiums received on issue of share capital. Any direct transaction costs associated with the issuing of shares are deducted from share premium.

All investments are held at fair value through profit or loss. When the Company revalues the investments still held during the period, any gains or losses arising are credited/charged to the capital reserve.



## CASH FLOW STATEMENT

for the six months ended 30 June 2017 (unaudited)

	(Unaudited) Six months to 30 June 2017 £'000	(Unaudited) Six months to 30 June 2016 £'000	(Audited) Year to 31 Dec 2016 £'000
<b>Cash flow from operating activities</b>			
Profit/(loss) before finance costs and taxation	63,065	(86,024)	(32,305)
Adjustments for:			
movement in investments held at fair value through profit or loss	(63,664)	86,343	32,193
Decrease in debtors	19	311	288
Increase in creditors	1,923	1,106	15
<b>Net cash generated from operating activities</b>	<b>1,343</b>	<b>1,736</b>	<b>191</b>
<b>Cash flows from investing activities</b>			
Purchase of investments	(87,949)	(172,096)	(217,879)
Proceeds from sales of investments	8,452	104,719	136,354
Cash outflows from derivative financial instruments	(5,432)	0	(5,507)
Cash inflows from derivative financial instruments	17,174	0	2,115
<b>Net cash used in investing activities</b>	<b>(67,755)</b>	<b>(67,377)</b>	<b>(84,917)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	0	(1,323)	(1,323)
Interest paid	(1,082)	(80)	(599)
<b>Net cash from financing activities</b>	<b>(1,082)</b>	<b>(1,403)</b>	<b>(1,922)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(67,494)</b>	<b>(67,044)</b>	<b>(86,648)</b>
Cash and cash equivalents at the beginning of the year	(74,640)	12,008	12,008
<b>Cash and cash equivalents at end of period</b>	<b>(142,134)</b>	<b>(55,036)</b>	<b>(74,640)</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General information

The Company was incorporated in England and Wales on 26 January 2015 with registered number 09405653 as a closed-ended investment company. The Company commenced its operations on 21 April 2015. The Company intends to carry on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

The Company's investment objective is to achieve long-term capital growth through investing in a portfolio consisting predominantly of UK companies, both quoted and unquoted. The Company will aim to deliver a return in excess of 10 per cent per annum over the longer term.

The Company's shares were admitted to the Official List of the UK Listing Authority with a premium listing on 21 April 2015. On the same day, trading of the ordinary shares commenced on the London Stock Exchange.

### 2. Accounting policies

#### Basis of preparation

The Company has adopted applicable UK Accounting Standards, being FRS 102 – The Financial Reporting Standard - and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (issued in November 2014). The half-year accounts are prepared in accordance with Financial Reporting Standards 104 – Interim Financial Reporting. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies (see note 9 below for details). They have also been prepared on the assumption that approval as an investment trust will continue to be granted. The Directors consider that the Company has adequate resources to enable it to continue in operational existence for the foreseeable future. Accordingly, the Directors believe that it is appropriate to adopt the going concern basis in preparing the Company's financial statements.

The results for the half year ended 30 June 2017 constitute non-statutory accounts within the meaning of Section 435 of the Companies Act 2006. These have not been audited but have been reviewed by the Company's auditors and their report can be found on page 21 in the published accounts. The latest published accounts which have been delivered to the Registrar of companies are for the year ended 31 December 2016; the report of the Auditor thereon was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006. The comparative figures for the year ended 31 December 2016 have been extracted from those accounts.

The interim financial statements have been prepared using the same accounting policies as the preceding annual financial statements.

3. Income	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Income from investments			
UK franked dividends	188	920	1,255
	188	920	1,255

4. Portfolio management fee	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Performance fee accrual: 100% charged to capital	0	0	0
	0	0	0

The Portfolio Manager has agreed not to receive a management fee from the Company in respect of its services provided under the Portfolio Management Services Agreement. The Portfolio Manager is entitled to receive a performance fee equal to 15 per cent of any excess returns over a cumulative 10 per cent per annum hurdle rate, subject to a high watermark.

5. Other expenses	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Secretarial services	28	48	88
Administration expenses	639	460	1,071
Auditor's remuneration			
– Fees payable to the Company's auditors for the audit of the Company's annual accounts	20	20	45
– Fees payable to the Company's auditors for audit-related assurance services: interim review	10	10	10
Directors' fees	90	63	153
	787	601	1,367

6. Finance costs	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Interest paid	1,082	80	599
	1,082	80	599

7. Taxation	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Taxation	0	0	0
	0	0	0

8. Dividends	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Final dividend 2015 of 0.16p	0	1,323	1,323
	0	1,323	1,323

No dividends have been proposed or paid in respect of the year to 31 December 2016 or for the six months to 30 June 2017. In 2016 a final dividend of £1,323,000 was paid in respect of the period to 31 December 2015.

9. Investments	(Unaudited) 30 June 2017 £'000	(Unaudited) 30 June 2016 £'000	(Audited) 31 Dec 2016 £'000
<b>Level 1</b>			
Investments listed on a recognised investment exchange:	530,273	440,956	472,883
<b>Level 3</b>			
Unquoted investments:	445,543	338,266	368,276
	975,816	779,222	841,159

All investments are held at the price of a recent investment for an appropriate period where there is considered to have been no change in fair value. Where such a basis is no longer considered appropriate, the following factors will be considered:

- (i) Where a value is indicated by a material arms-length transaction by an independent third party in the shares of a company, this value will be used.
- (ii) In the absence of (i), and depending upon both the subsequent trading performance and investment structure of an investee company, the valuation basis will usually move to an earnings multiple basis or, if appropriate, other valuation methods may be used. The shares may be valued by applying a suitable price-earnings ratio to that company's historic, current or forecast post-tax earnings before interest and amortisation (the ratio used being based on a comparable sector but the resulting value being adjusted to reflect points of difference identified by the Investment Adviser compared to the sector including, inter alia, a lack of marketability).

Where an earnings multiple basis is not appropriate and overriding factors apply, discounted cash flow or net asset valuation bases may be applied. As at the period end, of the unquoted holdings 90.69 per cent is valued using the process explained in (i) above and the remaining 9.31 per cent is valued using the valuation technique described in (ii) above.

For financial reporting purposes, fair value measurements are categorised into a fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

Level 1 – the unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2 – inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly. There are no Level 2 investments as at 30 June 2017 (30 June 2016: no Level 2 investments; 31 December 2016: no Level 2 investments).

Level 3 – inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Unquoted investments are a significant accounting judgement which is stated at fair value by the Directors in accordance with Amendments to FRS 102: Fair value hierarchy disclosure, which are consistent with the International Private Equity and Venture Capital Valuation ('IPEVCV') guidelines:

In preparing these financial statements the Company has adopted 'Amendments to FRS102: fair value hierarchy disclosure (March 2016)' published by the FRC.

(b) Movements

	Listed £'000	Unquoted £'000	(Unaudited) Six months to 30 June 2017 Total £'000	Listed £'000	Unquoted £'000	(Audited) Year ended 31 December 2016 Total £'000
Book cost at beginning of year	529,841	345,529	875,370	533,913	275,843	809,756
Gains/(losses) on investments held at beginning of year	(56,958)	22,747	(34,211)	(26,646)	13,819	(12,827)
Valuation at beginning of year	472,883	368,276	841,159	507,267	289,662	796,929
Movements in year:						
Purchases at cost	31,100	56,833	87,933	139,670	72,974	212,644
Sales:						
– proceeds	(8,452)	0	(8,452)	(131,837)	(4,096)	(135,933)
– losses on investment holdings sold in the year	(2,346)	0	(2,346)	(11,906)	808	(11,098)
Transfer between unquoted and listed investments at valuation	11,700	(11,700)	0	0	0	0
Movements in (losses)/gains on investment holdings held at end of year	25,388	32,134	57,522	(30,311)	8,928	(21,383)
<b>Valuation at end of year</b>	<b>530,273</b>	<b>445,543</b>	<b>975,816</b>	<b>472,883</b>	<b>368,276</b>	<b>841,159</b>

(c) Gains/(losses) on financial instruments

	(Unaudited) Six months to 30 June 2017 £'000
Gains on investment holdings held during the period	57,522
Losses on investment holdings sold in the period	(2,346)
Total gains on foreign currency contracts	8,488
	<b>63,664</b>

10. Debtors

	(Unaudited) 30 June 2017 £'000	(Unaudited) 30 June 2016 £'000	(Audited) 31 Dec 2016 £'000
Accrued income and prepayments	19	15	38
	<b>19</b>	<b>15</b>	<b>38</b>

11. Creditors	(Unaudited) 30 June 2017 £'000	(Unaudited) 30 June 2016 £'000	(Audited) 31 Dec 2016 £'000
Amounts falling due within one year:			
Bank overdraft	142,134	55,036	74,640
Purchases for future settlement	1,800	4,652	0
Other creditors	320	232	198
	144,254	59,920	74,838

The Company has a £150 million overdraft credit facility with The Northern Trust Company. The amount outstanding in relation to this facility at 30 June 2017 was £142 million, which is repayable on demand; interest is charged monthly at the rate of 1 month LIBOR plus margin of 1.35%.

12. Derivative financial instruments	(Unaudited) 30 June 2017 Net Current assets £'000			(Unaudited) 30 June 2016 Net Current assets £'000			(Audited) 31 December 2016 Net Current assets £'000		
Forward foreign exchange contracts	2,458	(963)	1,495	-	(1,424)	(1,424)	5,730	(996)	4,734
Total derivative instruments	2,458	(963)	1,495	-	(1,424)	(1,424)	5,730	(996)	4,734

The above derivatives are classified as Level 2 as defined in note 9.

### 13. Share capital

The table below details the issued share capital of the Company as at the date of the accounts:

	(Unaudited) 30 June 2017 No. of shares		(Unaudited) 30 June 2017 £'000		(Unaudited) 30 June 2016 No. of shares		(Unaudited) 30 June 2016 £'000		(Audited) 31 Dec 2016 No. of shares		(Audited) 31 Dec 2016 £'000	
Allotted, issued & fully paid:												
Ordinary shares of 1p	827,000,000	8,270	827,000,000	8,270	827,000,000	8,270	827,000,000	8,270	827,000,000	8,270	827,000,000	8,270

The ordinary shares carry the right to receive dividends and have one voting right per ordinary share. There are no shares which carry specific rights with regard to the control of the Company. The shares are freely transferable. There are no restrictions or agreements between shareholders on the voting rights of any of the ordinary shares or the transfer of shares.

14. Share premium	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Beginning of year	813,099	813,043	813,043
Share issue costs written back	0	56	56
Closing balance	813,099	813,099	813,099
15. Capital reserve	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Beginning of year	(49,780)	(17,587)	(17,587)
Gains/(losses) on investments – held at fair value through profit or loss	63,664	(86,343)	(32,193)
Closing balance	13,884	(103,930)	(49,780)
16. Revenue reserve	(Unaudited) Six months ended 30 June 2017 £'000	(Unaudited) Six months ended 30 June 2016 £'000	(Audited) Year ended 31 Dec 2016 £'000
Beginning of year	(496)	1,538	1,538
Retained (loss)/profit for the period	(1,681)	239	(711)
Dividends paid	0	(1,323)	(1,323)
Closing balance	(2,177)	454	(496)

#### 17. Financial commitments

At 30 June 2017 there were no commitments in respect of unpaid calls or underwriting.

#### 18. Return per ordinary share

Total return per ordinary share is based on the return on ordinary activities after taxation of £61,983,000. This calculation is based on 827,000,000 ordinary shares in issue during the six-month period to 30 June 2017. The total return per ordinary share for the year ended 31 December 2016 is based on the return on ordinary activities after taxation of £(32,904,000). This calculation is based on 827,000,000 ordinary shares in issue during the year to 31 December 2016. The total return per ordinary share for the six months period ended 30 June 2016 is based on the return on ordinary activities after taxation of £(86,104,000). This calculation is based on 827,000,000 ordinary shares in issue during the six months period to 30 June 2016.

### 19. Net asset value per share

Total shareholders' funds and the net asset value per share attributable to the ordinary shareholders at the period-end calculated in accordance with the Articles of Association were as follows:

	(Unaudited) Net asset value per share 30 June 2017 pence	(Unaudited) Net assets available 30 June 2017 £'000	(Unaudited) Net asset value per share 30 June 2016 pence	(Unaudited) Net assets available 30 June 2016 £'000	(Audited) Net asset value per share 31 Dec 2016 pence	(Audited) Net assets available 31 Dec 2016 £'000
Ordinary shares	100.73	833,076	86.81	717,893	93.24	771,093

The net asset value per share as at 30 June 2017 and 31 December 2016 and 30 June 2016 are based on 827,000,000 ordinary shares in issue.

### 20. Transactions with the Portfolio Manager and the Alternative Investment Fund Manager (AIFM)

The Company provides additional information below concerning its relationship with the Portfolio Manager, Woodford Investment Management Ltd ('Woodford'). The amount of the accrual established as a provision for the performance fee due to Woodford is nil as set out in Note 4. At 30 June 2017 no amount was payable in respect of the fee as it only crystallises at the end of a performance period, although it would accrue if over the hurdle.

Capita Financial Managers Limited, as the Alternative Investment Fund Manager of the Company, has a fee payable for the period ended 30 June 2017 of £25,000. Capita Company Secretarial Services Limited, which provides the Company with company secretarial services, was paid £35,119 in respect of the six months ended 30 June 2017 (31 December 2016: £77,250 paid during the year).

Woodford has subcontracted to Northern Trust Global Services Limited the provision of the middle office function on behalf of the Company, which they recharge the Company at cost. From time to time Woodford instructs various third parties to undertake various functions on behalf of the Company which they recharge the Company at cost. During the six-month period under review, charges relating to middle office services amounted to £32,874.

### 21. Related party transactions

The amounts paid and payable to the Portfolio Manager and the AIFM pursuant to their agreements are disclosed in note 20. There were no other identifiable related parties at the half-year end.



## DIRECTORS, PORTFOLIO MANAGER AND ADVISERS

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Scott Brown  
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### Share Identifiers

ISIN: GB00BVG1CF25  
Sedol: BVG1CF2  
Ticker: WPCT

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