

# Edinburgh Worldwide Investment Trust plc

**Legal Entity Identifier: 213800JUA8RKIDDLH380**

## **Regulated Information Classification: Interim Financial Report**

The Interim Financial Report has been updated to correct the absolute and relative performance for the Top 20 stocks in the table 'Performance of Top 20 holdings'.

### **Results for the six months to 30 April 2025**

The following is the unaudited Interim Financial Report for the six months to 30 April 2025 which was approved by the Board on 24 June 2025.

- Performance over this reporting period has been impacted by heightened volatility in global markets following a significant selloff in April 2025, the result of President Trump's 'Liberation Day' announcement of U.S. tariffs and China's retaliatory measures. Over the six month period, the Company's net asset value per share\* fell by 2.9% while the comparative index\* was down 7.2%. The share price\* fell by 1.9%.
- The largest positive contributors to performance over the six months were Axon Enterprises, SpaceX and PsiQuantum. The most significant detractors to performance in the period were AeroVironment, Sweetgreen and Exact Sciences.
- During the period, the Company bought back 6.3m shares into treasury.
- As at 30 April 2025 the Company's investment in private companies was 31.1% of total assets (31 October 2024: 25.3%).
- The Managers seek to hold companies harnessing a high level of discovery and disruption. With the world being drawn ever more short-term in its outlook, the opportunities for those willing to take a long-term view increase.

Jonathan Simpson-Dent, Chair of Edinburgh Worldwide Investment Trust commented:

"This six month reporting period covers the early stages of implementation of the Company's reset for growth action plan as communicated in November 2024. While performance is ahead of the benchmark, the market has observed significant volatility. The Board continues to be excited by this unique mandate and the potential within the portfolio which is covered in detail in the interim report."

\* All figures are on a total return basis. Source: LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer at the end of this announcement.

For a definition of terms see Glossary of Terms and Alternative Performance Measures at the end of this announcement.

Past performance is not a guide to future performance.

Edinburgh Worldwide aims to achieve long-term capital growth by investing primarily in listed companies throughout the world. The Company has total assets of £660.0 million (before deduction of loans of £54.4 million) as at 30 April 2025.

Edinburgh Worldwide is managed by Baillie Gifford, the Edinburgh based fund management group with around £204.2 billion under management and advice as at 24 June 2025.

Edinburgh Worldwide Investment Trust plc is a listed UK company. The value of its shares and any income from them can fall as well as rise and investors may not get back the amount invested. This is because the share price is determined by the changing conditions in the relevant stock markets in which the Company invests and by the supply and demand for the Company's shares. Investment in investment trusts should be regarded as medium to long-term. The Company's risk could be increased by its investment in unlisted investments. These assets may be more difficult to buy or sell, so changes

in their prices may be greater. The Company is listed on the London Stock Exchange and is not authorised or regulated by the Financial Conduct Authority. You can find up to date performance information about Edinburgh Worldwide on the Edinburgh Worldwide page of the Managers' website at [edinburghworldwide.co.uk](http://edinburghworldwide.co.uk)<sup>‡</sup>

<sup>‡</sup> Neither the contents of the Managers' website nor the contents of any website accessible from hyperlinks on the Managers' website (or any other website) is incorporated into, or forms part of, this announcement.

24 June 2025

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## **Chair's statement**

In November 2024, we announced the resetting of the Company on a path for growth. The announcement focussed on three key areas: (i) a reaffirmation of the Company's strategy; (ii) a reset action plan including team composition and a rebalancing of the portfolio to increase focus and resilience; and (iii) a commitment to a share buyback and capital return programme of up to £130m. I want to provide an update on these areas in this interim report to shareholders while also providing details on the Company's performance over the six-month period to 30 April 2025.

Shareholders will also be aware that during the period on which we are reporting, the Company was requisitioned and was required, under the terms of the requisition, to hold a general meeting at which various resolutions were put to shareholders. Shareholders voted to support the existing mandate and the Board at the requisitioned general meeting but it should be noted that significant costs were incurred as a consequence of this requisition. This is reported in our Income Statement alongside the costs associated with other shareholder circulars that have been approved during this period.

## **Performance**

After a strong second half to the financial year 31 October 2024 where the net asset value per share ('NAV') total return was +6.0% and the share price total return was +11.0%, performance over this reporting period has been impacted by heightened volatility in global markets following a significant selloff in April 2025, the result of President Trump's 'Liberation Day' announcement of U.S. tariffs and China's retaliatory measures. The NAV total return over the first half of the Company's current financial year, was -2.9% compared to a total return of -7.2% for the S&P Global Small Cap Index, in sterling terms. The Company bought back 6.3m shares since 1 November 2024. The discount to NAV of the Company's shares narrowed from 7.6% to 6.7% and so the share price return over the period was -1.9%.

At the period end, the private companies weighting was 31.1% and the gearing stood at 8.0%.

Further details on performance are provided in the Managers' Report below.

## **Resetting for Growth**

In November 2024, the Board and Investment Manager collaborated to introduce meaningful improvements to portfolio construction and execution, focusing on fewer holdings and stricter measures to address underperforming investments. The portfolio has been reshaped to include more profitable, cash-generating companies and greater sectoral diversification. This has resulted in a more focused and better-balanced portfolio with stronger sales and earnings growth prospects to position the Company for improved future performance.

## Number of holdings

30 April 2024	106
31 October 2024	85
30 April 2025	78

## Key Sector Mix

	31 October 2024 %	30 April 2025 %	Change
Information technology	27.0	31.0	↑
Industrials	27.8	28.8	↑
Healthcare	29.9	26.9	↓
Consumer discretionary	4.6	3.4	↓
Financials	3.8	2.4	↓
Communication services	3.3	2.5	↓
Electrical equipment, instruments and components	—	2.0	↑
Machinery	—	1.2	↑
Materials	0.7	0.8	↑
Net liquid assets	2.9	1.0	↓

## EWIT Portfolio by Financial Resiliency Cohort

	31 October 2024 %	30 April 2025 %	Change
<b>Fledgling:</b> companies that are not yet delivering positive gross profit	3.1	1.2	↓
<b>Initial Commercialisation:</b> companies delivering gross profit	16.0	12.3	↓
<b>De-Risking:</b> companies delivering Free Cash Flow (FCF) margin between -20% and 0%	16.2	25.0	↑
<b>Execution:</b> companies delivering positive FCF	26.8	33.2	↑
<b>Proven Return:</b> companies delivering positive FCF and Earnings Per Share (EPS)	37.9	28.3	↓

Having reaffirmed the strategy last November, the Board continues to be excited about the Trust's differentiated mandate and the potential within the portfolio. Feedback from a number of shareholders has highlighted the importance of this differentiation, recognising the potential value of early access to game-changing companies at the frontier of innovation whether publicly traded or private businesses.

Despite recent market and geopolitical volatility, the Investment Manager remains confident in the portfolio's strong fundamentals, adaptability, and resilience. Key operational metrics – such as rising sales projections and solid earnings estimates – underscore the portfolio's strength, suggesting that current valuation pressures are temporary.

Growing demand for leading-edge capabilities in semiconductors and AI processing affecting national security benefits holdings like AeroVironment, Axon Enterprise, and MP Materials. Quantum computing is the next significant breakthrough. The Company's private holding in PsiQuantum is leading the charge in making this technology commercially viable and available. Space technology is becoming increasingly important and the Company's 2018 investment in SpaceX has already returned seven times the initial investment and is set for increased relevance across multiple domains. The healthcare field continues to offer exciting prospects as genetic advances enable new treatments and diagnostics that will transform patient experiences, like the Company's investment in the groundbreaking Alnylam Pharmaceutical.

The path forward will not be linear. Yet, longer term capital invested in emerging companies with exceptional potential and durable growth runways remains a path to substantial future shareholder value.

### **Capital Return Plan including Share Buybacks**

Following the announcement in November 2024 of the Board's commitment to return up to £130m of capital, we have made the necessary practical changes to the Company's distributable reserves, including the reduction of the Company's share premium account, to permit this. In addition, the Board progressed plans to offer all shareholders a meaningful capital return through a tender offer, on a basis that would not unduly affect the resultant balance of the Company's portfolio. However, following discussions with significant shareholders, it is unlikely that the desired level of support will be received and so the Board has decided to pause the process, for the present, to avoid incurring unnecessary costs.

The Board continues to prioritise share buybacks as the primary capital return mechanism. Over the course of the Company's six months to 30 April 2025, the Company bought back 6.3 million shares to return to shareholders approximately £10.9m, representing 1.7% of the Company's issued share capital at the start of the period, and since the period end has bought back a further 5,855,000 shares, representing 1.6% of the Company's issued share capital. The Board will continue to use the buybacks to provide liquidity for shareholders and to seek, where possible, to avoid the discount from widening out significantly. In addition, the Board acknowledges that any such buyback at a discount to NAV is value accretive to continuing to shareholders. The shares repurchased by the Company are held in treasury and are available to be reissued, at a premium, when market conditions allow provided relevant shareholder authorities are in place at the time.

Additionally, the Board has been considering an evolved approach to capital allocation in the future. The Board recognises that, notwithstanding the Company's long-term investment horizon, shareholders should benefit tangibly when material realisations are achieved from the Company's private investments. We are therefore developing a model of making partial returns of capital from the proceeds from such events and will share further details in due course.

### **Outlook**

We continue to act on feedback from our shareholders. Recent engagement has reaffirmed broad support for the Company's mandate and investment strategy and the Board will continue to work diligently with the Investment Manager to advance our plan to ensure that the Company delivers returns commensurate with shareholder expectations and reflective of the underlying potential of the portfolio companies which are looking to shape the future through innovation.

### **Responsibility statement**

We confirm that to the best of our knowledge:

- a. the condensed set of Financial Statements has been prepared in accordance with FRS 104 'Interim Financial Reporting';
- b. the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (indication of important events during the first six months, their impact on the Financial Statements and a description of the principal risks and uncertainties for the remaining six months of the year); and
- c. the Interim Financial Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

On behalf of the Board  
Jonathan Simpson-Dent  
Chair  
24 June 2025

\* Source: LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer at the end of this announcement.  
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## **Interim management report**

### **Trust Performance**

During a volatile six month period for global markets, the Company outperformed the S&P Global Small Cap Index, as reported in the Chair's Statement above.

### **Top 3 and Bottom 3 Contributors**

New funding rounds at higher valuations propelled strong contributions from private companies SpaceX and PsiQuantum during the period. Meanwhile, Axon Enterprise marked its 12th consecutive quarter of +25% sales growth, while rising customer adoption of AI products further boosted share appreciation.

AeroVironment, Sweetgreen, and Exact Sciences were the period's detractors. AeroVironment's shares were pressured due to transient operational challenges and guidance uncertainty, resulting from the US's adjusted policy towards the Ukraine conflict. This shouldn't overshadow, however, its strong funded order backlog, strategic contracts with the US military, and the continuing expansion of drones' military applications. Sweetgreen, the US casual dining chain, reported reduced same-store sales, prompting a decline in the stock price. Its products' premium pricing may have left it vulnerable to softening US consumer confidence amid economic uncertainty. We continue to monitor this, but remain excited by the rollout of its transformational automation technology, which could meaningfully improve efficiency and profitability. Finally, shares in Exact were soft, following the release of earnings, which reported steady growth but were below expectations. Its most recent results (released 1 May 2025, after the period covered explicitly in this report) included rebounding sales growth, and we're content with the business's long-term growth prospects, propelled by the next generation of its dominant colorectal cancer screen.

### **Market Context**

At a macro level, there have been notable changes since the last update in the annual report. Market anticipation of pro-growth policies of tax-breaks and deregulation in the US has shifted to grappling with the global uncertainty around tariffs and trade wars. Policy volatility and how to respond to it, has left consumers, companies, and political decision makers alike in a state of limbo – all of which has a knock-on effect to the appetite for spending and investment.

The impact of headline announcements on global supply chains – answering the questions of “if,” “how,” and “when” – remains difficult to predict. The overarching theme underscores the ongoing need for businesses to question their resilience and cost structures in a world which looks increasingly protectionist.

History might provide some precedent and guidance here. A similar situation emerged in 1930 in the US with President Hoover signing into law the ‘Smoot–Hawley Tariff Act’. This was a piece of legislation intended to protect domestic US jobs and manufacturing recovering from the great depression, with tariffs on foreign goods. Other nations followed suit with tariffs of their own. However, I suspect you, like us, did not have name recognition for this bill until very recently, if at all. Instead, what ultimately proved much more relevant and resilient from this period were the innovations and innovators which shaped the world and the economy around them.

This was the time when mass electrification of factories enabled a scale of production unseen before, Ford's new auto financing business paved the way for larger credit markets to exist in retail goods, the discovery of penicillin led to a revolution in treating infection, the proliferation of commercial radio stations created a new form of popular entertainment, the invention of liquid fuelled rockets opened up new frontiers in aeronautics, and the foundations of quantum mechanics and nuclear physics were laid down.

We appreciate the greater significance of these much more keenly today and with the benefit of time. It is companies harnessing a similar level of discovery and disruption today that we seek to position EWIT's portfolio for. With the world being drawn ever more short-term in its outlook, the opportunities for those willing to take a long-term view increase.

Our task then remains to continually ask whether the portfolio has the right mix of opportunities to express this philosophy, are they being operated well and with appropriate foresight, and are they resilient enough to retain and grow their market presence and value-add?

### **Portfolio Activity**

To this end, over the last 6 months, EWIT has invested in 9 new holdings. Xometry enables greater domestic manufacturing scale through the smart aggregation of local capacity, previously too disparate to corral. Astera Labs and Confluent are improving connections within rapidly growing AI infrastructure and software, whilst Amplitude is similarly helping companies better understand and optimise how consumers connect and interact with their digital products. PROCEPT BioRobotics is introducing robotic-assisted operative treatments for better, quicker and safer patient outcomes in prostate treatment. E Ink Holdings is enabling previously static surfaces to be turned into full colour digital displays, opening a world of possibility for more intuitive consumer devices and architectural structures. Kornit Digital brings a similar level of fresh expression to apparel industry with its inkjet printing solution for textiles enabling on-demand domestic production. Park Systems are allowing customers to dive down to infinitesimally small scale to measure & manipulate individual atoms with their atomic force microscopes, a key requirement for making increasingly capable semiconductors powering the next generation of products. Harmonic Drive Systems is the world leader in high-precision, compact gears used in robotics and automation.

During this period, we also completed the sale of 16 holdings where we feel the opportunity cost has become less compelling over time relative to the rest of our portfolio (including Adaptimmune Therapeutics, Expensify, STAAR Surgical) and trimmed a handful of holdings following a run of strong performance (including Axon Enterprise, SpaceX, Doximity) to fund buybacks, de-gearing, and new purchases.

The principal risks and uncertainties facing the Company are set out at the end of this announcement.

\* Net asset value (borrowings at book value).

For a definition of terms see Glossary of terms and Alternative Performance Measures at the end of this announcement.

Total return information sourced from LSEG/Baillie Gifford and relevant underlying index providers.

Source: LSEG/Baillie Gifford and relevant underlying data providers. See disclaimers at the end of this announcement.

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## Baillie Gifford – valuing private companies

We aim to hold our private company investments at ‘fair value’ i.e. the price that would be paid in an open-market transaction. Valuations are adjusted both during regular valuation cycles and on an ad hoc basis in response to ‘trigger events’. Our valuation process ensures that private companies are valued in both a fair and timely manner.

The valuation process is overseen by a valuations group at Baillie Gifford, which takes advice from an independent third party (S&P Global). The valuations group is independent from the portfolio team with all voting members being from different operational areas of the firm, and the investment managers only receive final notifications once they have been applied.

We revalue the private holdings on a three-month rolling cycle, with one third of the holdings reassessed each month. During stable market conditions, and assuming all else is equal, each investment would be valued four times in a twelve-month period. For investment trusts, the prices are also reviewed in detail twice per year by the respective investment trust boards and are subject to the scrutiny of external auditors in the annual audit process.

Beyond the regular cycle, the valuations group also monitors the portfolio for certain ‘trigger events’. These may include: changes in fundamentals; a takeover approach; an intention to carry out an Initial Public Offering (‘IPO’); company news which is identified by the valuation team or by the portfolio managers, or meaningful changes to the valuation of comparable public companies. Any ad hoc change to the fair valuation of any holding is implemented swiftly and reflected in the next published net asset value. There is no delay.

The valuations group also monitors relevant market indices on a weekly basis and updates valuations in a manner consistent with our external valuer’s (S&P Global) most recent valuation report where appropriate.

Periods of market volatility during the period have meant that valuations continue to be reviewed much more frequently, in some instances resulting in a further valuation movement. The data below quantifies the revaluations carried out during the six months to 30 April 2025, but does not reflect the ongoing monitoring of the private investment portfolio that has not resulted in a change in valuation

Edinburgh Worldwide Investment Trust*	%
Percentage of portfolio revalued up to 2 times	22
Percentage of portfolio revalued 3+ times	78

\* Data reflecting period 1 November 2024 to 30 April 2025 to align with the Company’s reporting period end.

The average movement in company valuations and share prices across the portfolio for six months to 30 April 2025 are shown below.

Valuation movement	£’000
Value of private company investments as at 31 October 2024	182,972
Sale proceeds from disposal	(31,699)
Gain on disposal	25,620
Investment revaluation gains in the period	55,984
Investment revaluation losses in the period	(27,739)
Value of private company investments as at 30 April 2025	205,138

Valuation movement	%
Average movement in investee company securities price	+17.2
Average movement in investee company valuation	+28.6

## **Baillie Gifford statement on stewardship**

**Baillie Gifford's overarching ethos is that we are 'Actual' investors. That means we seek to invest for the long term. Our role as an engaged owner is core to our mission to be effective stewards for our clients. As an active manager, we invest in companies at different stages of their evolution across many industries and geographies, and focus on their unique circumstances and opportunities. Our approach favours a small number of simple principles rather than overly prescriptive policies. This helps shape our interactions with holdings and ensures our investment teams have the freedom and retain the responsibility to act in clients' best interests.**

### **Long-term value creation**

We believe that companies that are run for the long term are more likely to be better investments over our clients' time horizons. We encourage our holdings to be ambitious, focusing on long-term value creation and capital deployment for growth. We know events will not always run according to plan. In these instances we expect management to act deliberately and to provide appropriate transparency. We think helping management to resist short-term demands from shareholders often protects returns. We regard it as our responsibility to encourage holdings away from destructive financial engineering towards activities that create genuine value over the long run. Our value will often be in supporting management when others don't.

### **Governance fit for purpose**

Corporate governance is a combination of structures and behaviours; a careful balance between systems, processes and people. Good governance is the essential foundation for long-term company success. We firmly believe that there is no single governance model that delivers the best long-term outcomes. We therefore strive to push back against one-dimensional global governance principles in favour of a deep understanding of each company we invest in. We look, very simply, for structures, people and processes which we think can maximise the likelihood of long-term success. We expect to trust the boards and management teams of the companies we select, but demand accountability if that trust is broken.

### **Alignment in vision and practice**

Alignment is at the heart of our stewardship approach. We seek the fair and equitable treatment of all shareholders alongside the interests of management. While assessing alignment with management often comes down to intangible factors and an understanding built over time, we look for clear evidence of alignment in everything from capital allocation decisions in moments of stress to the details of executive remuneration plans and committed share ownership. We expect companies to deepen alignment with us, rather than weaken it, where the opportunity presents itself.

### **Sustainable business practices**

A company's ability to grow and generate value for our clients relies on a network of interdependencies between the company and the economy, society and environment in which it operates. We expect holdings to consider how their actions impact and rely on these relationships. We believe long-term success depends on maintaining a social licence to operate and look for holdings to work within the spirit and not just the letter of the laws and regulations that govern them. Material factors should be addressed at the board level as appropriate.



## Income statement (unaudited)

	Notes	For the six months ended 30 April 2025			For the six months to 30 April 2024			For the year ended 31 October 2024 (audited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on sales of investments		–	4,400	<b>4,400</b>	–	(31,895)	<b>(31,895)</b>	–	(125,365)	<b>(125,365)</b>
Movements in investment holding gains		–	(17,255)	<b>(17,255)</b>	–	71,948	<b>71,948</b>	–	202,938	<b>202,938</b>
Currency gains		–	1,119	<b>1,119</b>	–	1,703	<b>1,703</b>	–	3,975	<b>3,975</b>
Income from investments and interest receivable		540	–	<b>540</b>	678	–	<b>678</b>	1,301	–	<b>1,301</b>
Investment management fee	3	(504)	(1,512)	<b>(2,016)</b>	(470)	(1,411)	<b>(1,881)</b>	(829)	(2,488)	<b>(3,317)</b>
Other administrative expenses	4	(2,615)	–	<b>(2,615)</b>	(601)	–	<b>(601)</b>	(1,520)	–	<b>(1,520)</b>
<b>Net return before finance costs and taxation</b>		(2,579)	(13,248)	<b>(15,827)</b>	(393)	40,345	<b>39,952</b>	(1,048)	79,060	<b>78,012</b>
Finance cost of borrowings		(548)	(1,644)	<b>(2,192)</b>	(782)	(2,346)	<b>(3,128)</b>	(1,571)	(4,714)	<b>(6,285)</b>
<b>Net return before taxation</b>		(3,127)	(14,892)	<b>(18,019)</b>	(1,175)	37,999	<b>36,824</b>	(2,619)	74,346	<b>71,727</b>
Tax		(14)	–	<b>(14)</b>	(18)	–	<b>(18)</b>	(46)	–	<b>(46)</b>
<b>Net return after taxation</b>		(3,141)	(14,892)	<b>(18,033)</b>	(1,193)	37,999	<b>36,806</b>	(2,665)	74,346	<b>71,681</b>
<b>Net return per ordinary share</b>	5	<b>(0.85p)</b>	<b>(4.02p)</b>	<b>(4.87p)</b>	<b>(0.31p)</b>	<b>9.87p</b>	<b>9.56p</b>	<b>(0.70p)</b>	<b>19.48p</b>	<b>18.78p</b>

The total column of this statement represents the profit and loss account of the Company. The supplementary revenue and capital columns are prepared under guidance published by the Association of Investment Companies.

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

A Statement of Comprehensive Income is not required as the Company does not have any other comprehensive income and the net return after taxation is both the profit and comprehensive income for the period.

## Balance sheet (unaudited)

	Notes	At 30 April 2025 £'000	At 31 October 2024 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	7	653,477	705,032
<b>Current assets</b>			
Debtors		2,657	1,172
Cash and cash equivalents		7,141	22,783
		9,798	23,955
<b>Creditors</b>			
Amounts falling due within one year	8	(57,631)	(94,384)
<b>Net current liabilities</b>		<b>(47,833)</b>	<b>(70,429)</b>
<b>Net assets</b>		<b>605,644</b>	<b>634,603</b>
<b>Capital and reserves</b>			
Share capital		4,058	4,058
Share premium account	10	–	499,723
Distributable capital reserve	10	499,723	–
Special reserve		35,220	35,220
Capital reserve		81,065	106,883
Revenue reserve		(14,422)	(11,281)
<b>Shareholders' funds</b>		<b>605,644</b>	<b>634,603</b>
<b>Net asset value per ordinary share*</b>		165.44p	170.40p
<b>Ordinary shares in issue</b>	9	366,088,421	372,426,908

\* See Glossary of Terms and Alternative Performance Measures at the end of this announcement.

## Statement of changes in equity (unaudited)

### Six months to 30 April 2025

	Notes	Share capital £'000	Share premium account £'000	Distributable capital reserve £'000	Special reserve £'000	Capital reserve * £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 November 2024		4,058	499,723	–	35,220	106,883	(11,281)	<b>634,603</b>
Ordinary shares bought back	9	–	–	–	–	(10,926)	–	<b>(10,926)</b>
Cancellation of share premium account	10		(499,723)	499,723	–	–	–	–
Net return after taxation		–	–	–	–	(14,892)	(3,141)	<b>(18,033)</b>
<b>Shareholders' funds at 30 April 2025</b>		<b>4,058</b>	<b>–</b>	<b>499,723</b>	<b>35,220</b>	<b>81,065</b>	<b>(14,422)</b>	<b>605,644</b>

### Six months to 30 April 2024

	Notes	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserve * £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 November 2023		4,058	499,723	35,220	54,352	(8,616)	<b>584,737</b>
Ordinary shares bought back	9	–	–	–	(5,912)	–	<b>(5,912)</b>
Net return after taxation		–	–	–	37,999	(1,193)	<b>36,806</b>
<b>Shareholders' funds at 30 April 2024</b>		<b>4,058</b>	<b>499,723</b>	<b>35,220</b>	<b>86,439</b>	<b>(9,809)</b>	<b>615,631</b>

\* The Capital Reserve balance at 30 April 2025 includes investment holding losses of £36,405,000 (30 April 2024 – losses of £77,331,000).

## Cash flow statement (unaudited)

	Six months to 30 April 2025 £'000	Six months to 30 April 2024 £'000
<b>Cash flows from operating activities</b>		
Net return before taxation	(18,019)	36,824
Net losses/(gains)	12,855	(40,053)
Currency gains	(1,119)	(1,703)
Finance costs of borrowings	2,192	3,128
Overseas withholding tax incurred	(14)	(18)
Changes in debtors and creditors	(1,257)	(42)
<b>Cash from operations*</b>	<b>(5,362)</b>	<b>(1,864)</b>
Interest paid	(2,813)	(3,317)
<b>Net cash outflow from operating activities</b>	<b>(8,175)</b>	<b>(5,181)</b>
<b>Net cash inflow from investing activities</b>	<b>39,566</b>	<b>8,037</b>
<b>Financing</b>		
Ordinary shares bought back	(10,796)	(5,973)
Bank loans drawn down	147,848	180,135
Bank loans repaid	(184,848)	(188,135)
<b>Net cash outflow from financing activities</b>	<b>(47,796)</b>	<b>(13,973)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(16,405)</b>	<b>(11,117)</b>
Exchange movements	763	(225)
Cash and cash equivalents at start of period	22,783	19,146
<b>Cash and cash equivalents at end of period†</b>	<b>7,141</b>	<b>7,804</b>

\* Cash from operations includes dividends received in the period of £344,000 (30 April 2024 – £356,000).

† Cash and cash equivalents represent cash at bank and short term money market deposits repayable on demand.

## Performance of top 20 holdings

at 30 April 2025 (unaudited)

Name	Business	Country	Fair value £'000	% of total assets *	Absolute † performance %	Relative † performance %
Space Exploration Technologies <sup>#§</sup>	Designs, manufactures and launches advanced rockets and spacecraft	USA	93,739	14.2	58.3	70.7
PsiQuantum <sup>#§</sup>	Developer of commercial quantum computing	USA	54,330	8.2	51.2	63.1
Alnylam Pharmaceuticals	Drug developer focussed on harnessing gene silencing technology	USA	38,111	5.8	(5.0)	2.4
Axon Enterprise	Law enforcement equipment and software provider	USA	23,663	3.6	39.8	50.7
AeroVironment	Small unmanned aircraft and tactical missile systems	USA	19,178	2.9	(32.2)	(26.9)
Oxford Nanopore Technologies	Novel DNA sequencing technology	UK	18,971	2.9	(11.6)	(4.7)
Zillow <sup>#</sup>	US online real estate portal	USA	15,844	2.4	8.1	16.6
Ocado	Online grocery retailer and technology provider	UK	11,705	1.8	(19.1)	(12.8)
Xometry	AI-enabled marketplace provider for on demand manufacturing	UK	11,621	1.8	(29.6) ‡	(19.7) ‡
Exact Sciences	Non-invasive molecular tests for early cancer detection	USA	11,100	1.7	(36.3)	(31.3)
Cyberark Software	Cyber security solutions provider	Israel	10,992	1.7	22.6	32.2
Shine Technologies (Illuminated Holdings) <sup>#§</sup>	Medical radioisotope production	USA	10,393	1.6	(3.0)	4.6
American Superconductor	Designs and manufactures power systems and superconducting wire	USA	9,820	1.5	(21.9)	(15.8)
Kingdee International Software	Enterprise management software provider	China	9,017	1.4	56.9	69.2
Appian	Enterprise software developer	USA	8,529	1.3	(16.5)	(9.9)
MarketAxess	Electronic bond trading platform	USA	8,492	1.3	(25.8)	(20.0)
JFrog	Software development tools and management	Israel	8,472	1.3	11.0	19.6
LiveRamp	Marketing technology company	USA	8,353	1.3	0.6	8.5
InfoMart	Online platform for restaurant supplies	Japan	8,297	1.3	7.1	15.4
Progyny	Fertility benefits management company	USA	8,166	1.2	46.1	57.5
			<b>388,793</b>	<b>59.2</b>		

\* Total assets before deduction of borrowings.

† Absolute and relative performance has been calculated on a total return basis over the period 1 November 2024 to 30 April 2025. Absolute performance is in sterling terms; relative performance is against S&P Global Small Cap Index (in sterling terms).

# More than one line of stock held. Holding information represents the aggregate of both lines of stock.

§ Denotes private company investment.

‡ Figures relate to part-period returns where investment has been purchased in the period.

Source: Baillie Gifford/StatPro and relevant underlying index providers. See disclaimer at the end of this announcement.

Past performance is not a guide to future performance.

## List of investments

at 30 April 2025 (unaudited)

Name	Business	Country	Fair value £'000	% of total assets *
Space Exploration Technologies Series N Preferred <sup>§</sup>	Designs, manufactures and launches advanced rockets and spacecraft	USA	82,076	12.4
Space Exploration Technologies Series K Preferred <sup>§</sup>	Designs, manufactures and launches advanced rockets and spacecraft	USA	11,663	1.8
			93,739	14.2
PsiQuantum Series C Preferred	Developer of commercial quantum computing	USA	33,196	5.0
PsiQuantum Series D Preferred	Developer of commercial quantum computing	USA	21,134	3.2
			54,330	8.2
Alnylam Pharmaceuticals	Drug developer focussed on harnessing gene silencing technology	USA	38,111	5.8
Axon Enterprise	Law enforcement equipment and software provider	USA	23,663	3.6
Aerovironment	Small unmanned aircraft and tactical missile systems	USA	19,178	2.9
Oxford Nanopore Technologies	Novel DNA sequencing technology	UK	18,971	2.9
Zillow Class A	US online real estate portal	USA	2,264	0.3
Zillow Class C	US online real estate portal	USA	13,580	2.1
			15,844	2.4
Ocado	Online grocery retailer and technology provider	UK	11,705	1.8
Xometry	AI-enabled marketplace provider for on demand manufacturing	USA	11,621	1.8
Exact Sciences	Non-invasive molecular tests for early cancer detection	USA	11,100	1.7
Cyberark Software	Cyber security solutions provider	Israel	10,992	1.7
Shine Technologies (Illuminated Holdings) Series C-5 Preferred <sup>§</sup>	Medical radioisotope production	USA	6,649	1.0
Shine Technologies (Illuminated Holdings) Series Convertible Loan Note <sup>§</sup>	Medical radioisotope production	USA	749	0.1
Shine Technologies (Illuminated Holdings) Series Convertible Promissory Note <sup>§</sup>	Medical radioisotope production	USA	2,995	0.5
			10,393	1.6
American Superconductor	Designs and manufactures power systems and superconducting wire	USA	9,820	1.5
Kingdee International Software	Enterprise management software provider	China	9,017	1.4
Appian	Enterprise software developer	USA	8,529	1.3
MarketAxess	Electronic bond trading platform	USA	8,492	1.3

Name	Business	Country	Fair value £'000	% of total assets *
JFrog	Software development tools and management	Israel	8,472	1.3
LiveRamp	Marketing technology company	USA	8,353	1.3
InfoMart	Online platform for restaurant supplies	Japan	8,297	1.3
Progyny	Fertility benefits management company	USA	8,166	1.2
Epic Games	Video game platform and software developer	USA	8,141	1.2
Sweetgreen	A restaurant company	USA	8,050	1.2
Astranis Space Technologies Series C Preferred <sup>§</sup>	Communication satellite manufacturing and operation	USA	7,336	1.1
Astranis Space Technologies Series C Prime Preferred <sup>§</sup>	Communication satellite manufacturing and operation	USA	611	0.1
			7,947	1.2
Harmonic Drive System	Robotic components manufacturer	Japan	7,935	1.2
Twist Bioscience	Biotechnology company	USA	7,814	1.2
Trupanion	Pet health insurance provider	USA	7,606	1.2
BillionToOne Series C Preferred <sup>§</sup>	Pre-natal diagnostics	USA	6,576	1.0
BillionToOne Series C-1 Preferred <sup>§</sup>	Pre-natal diagnostics	USA	896	0.1
			7,472	1.1
TransMedics	Medical device company	USA	7,347	1.1
Schrödinger	Drug discovery and simulation software	USA	7,222	1.1
Silergy	Designs and manufactures a broad range of high performance analog integrated circuits	China	7,182	1.1
E Ink Holdings	Develops, manufactures and sells electronic paper technology-related materials and display products		7,078	1.1
PeptiDREAM	Peptide based drug discovery platform	Japan	7,002	1.1
Doximity	Online healthcare resource and interactive platform developer	USA	6,969	1.1
DLOCAL	Latin American developer of cross border payments platform	Uruguay	6,966	1.1
Upwork	Online freelancing and recruitment services platform	USA	6,780	1.0
Snyk Ordinary Shares <sup>§</sup>	Security software	UK	2,531	0.4
Snyk Series F Preferred <sup>§</sup>	Security software	UK	4,241	0.6
			6,772	1.0
Confluent	Data streaming platform provider	USA	6,452	1.0
Novocure	Manufacturer of medical devices for cancer treatment	USA	6,252	0.9
Genmab	Antibody based drug development	Denmark	6,246	0.9
Park Systems	Manufacturer of atomic force microscopy systems	Japan	6,239	0.9
PureTech Health	IP commercialisation focused on healthcare	UK	6,212	0.9
Amplitude	Software solutions provider	Israel	6,051	0.9
Procept BioRobotics	Healthcare manufacturer	USA	5,995	0.9
Tandem Diabetes Care	Manufacturer of insulin pumps for diabetic patients	USA	5,931	0.9



Name	Business	Country	Fair value £'000	% of total assets *
IPG Photonics	High-power fibre lasers	USA	5,882	0.9
Echodyne Corp. Series C-1 Preferred <sup>§</sup>	Metamaterial radar sensors and software	USA	5,866	0.9
Kornit Digital	Manufacturer of digital inkjet printers	Israel	5,661	0.9
MP Materials	Rare Earth Materials Company	USA	5,348	0.8
Skywater Technology	US specialist semiconductor fabrication company	USA	5,247	0.8
Lightning Labs Series B Preferred	Lightning software that enables users to send and receive money	USA	5,233	0.8
Sprout Social	Cloud based software for social media management	USA	5,135	0.8
Astera Labs	Semiconductor-based connectivity solutions provided	USA	4,941	0.7
Zai Lab HK Line	Chinese bio-pharmaceutical development and distribution company	China	4,804	0.7
Aehr Test Systems	Semiconductor testing systems provider	USA	4,790	0.7
Renishaw	Measurement and calibration equipment	UK	4,460	0.7
Raspberry Pi	Technology company	UK	4,385	0.7
Blackline	Enterprise financial software provider	USA	4,065	0.6
Catapult Group International	Analytics and data collection technology for sports teams and athletes	Australia	3,530	0.5
Ambarella	Video compression and image processing semiconductors	USA	3,500	0.5
KSQ Therapeutics Series C Preferred <sup>§</sup>	Biotechnology target identification company	USA	3,354	0.5
Veeco	Semiconductor equipment company	USA	3,090	0.5
Quantumscape	Solid-state batteries for electric vehicles	USA	2,520	0.4
Cryoport	Chain logistics solutions provider for the life sciences industry	USA	2,433	0.4
Silex Systems	Australian pioneer of laser enrichment technology	Australia	2,187	0.3
Sensirion Holding	Manufacturer of gas and flow sensors	Switzerland	2,042	0.3
RXSight	Implantable adjustable lens provider after cataract surgery	USA	1,746	0.3
Digimarc	Digital watermarking technology provider	USA	1,513	0.2
Ceres Power Holding	Developer of fuel cells	UK	1,094	0.1
New Horizon Health <sup>†</sup>	Cancer screening company	China	1,068	0.1
C4X Discovery Holdings <sup>§</sup>	Software to aid drug design	UK	1,067	0.1
C4X Discovery Warrants <sup>§</sup>	Software to aid drug design	UK	—	—
			1,067	0.1
Quanterix	Ultra-sensitive protein analysers	USA	903	0.1
DNA Script Series C Preferred <sup>§</sup>	Synthetic DNA fabricator	France	823	0.1
Nanobiotix	Nanomedicine company focused on cancer radiotherapy	France	336	0.1
4D Pharma	Microbiome biology therapeutics	UK	—	—
4D Pharma Warrants <sup>†</sup>	Microbiome biology therapeutics	UK	—	—
			—	—

Name	Business	Country	Fair value £'000	% of total assets *
China Lumena New Materials <sup>†</sup>	Mines, processes and manufactures natural thenardite products	China	—	—
Chinook Therapeutics (formerly Aduro Biotechnology) CVR Line	Immunotherapy drug development	USA	—	—
Relativity Space <sup>§</sup>	3D printing and aerospace launch company	USA	—	—
Reaction Engines <sup>§</sup>	Advanced heat exchange company	UK	—	—
<b>Total equities</b>			<b>653,477</b>	<b>99.0</b>
Net liquid assets			6,555	1.0
<b>Total assets*</b>			<b>660,032</b>	<b>100.0</b>

\* Total assets before deduction of borrowings.

§ Denotes private company investment.

† Denotes suspended security.

	Listed equities %	Unlisted securities # %	Net liquid assets %	Total assets %
<b>30 April 2025</b>	<b>67.8</b>	<b>31.2</b>	<b>1.0</b>	<b>100.0</b>
31 October 2024	71.8	25.3	2.9	100.0

Figures represent percentage of total assets.

# Includes holdings in private companies ordinary shares, preference shares, promissory notes and suspended securities. Suspended securities accounted for 0.1% of the total assets.

## Distribution of total assets\*

at 30 April 2025 (unaudited)

		% at 30 April 2025	% at 31 October 2024
	Geographical		
1	<b>North America</b>	74.7	73.5
	USA	74.7	73.5
2	<b>Europe</b>	13.6	15.1
	United Kingdom	8.3	10.5
	Eurozone	0.2	0.7
	Developed Europe (non euro)	5.1	3.9
3	<b>Asia</b>	8.7	5.9
	China	3.3	3.4
	Japan	3.5	2.5
	South Korea	0.9	—
	Taiwan	1.0	—
4	<b>South America</b>	1.1	1.0
	Uruguay	1.1	1.0
5	<b>Australasia</b>	0.9	1.6
	Australia	0.9	0.9
	New Zealand	—	0.7
6	<b>Net liquid assets</b>	1.0	2.9

## Sectoral analysis

		% at 30 April 2025	% at 31 October 2024
	Sectoral		
1	Information technology	31.0	27.0
2	Industrials	28.8	27.8
3	Healthcare	26.9	29.9
4	Consumer discretionary	3.4	4.6
5	Financials	2.4	3.8
6	Communication services	2.5	3.3
7	Electrical equipment, instruments and components	2.0	—
8	Machinery	1.2	—
9	Materials	0.8	0.7
10	<b>Net liquid assets</b>	1.0	2.9

\* Total assets before deduction of borrowings.

## **Notes to the Financial Statements (unaudited)**

### **1. Basis of accounting**

The condensed Financial Statements for the six months to 30 April 2025 comprise the statements set out above together with the related notes set out below. They have been prepared in accordance with FRS 104 'Interim Financial Reporting' and the AIC's Statement of Recommended Practice issued in October 2019 and updated in July 2022 with consequential amendments. They have not been audited or reviewed by the Auditor pursuant to the Auditing Practices Board Guidance on 'Review of Interim Financial Information'. The Financial Statements for the six months to 30 April 2025 have been prepared on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements at 31 October 2024.

### **Going concern**

The Directors have considered the nature of the Company's principal risks and uncertainties, as set out on the inside front cover. In addition, the Company's investment objective and policy, assets and liabilities, and projected income and expenditure, together with the dividend policy have been taken into consideration and it is the Directors' opinion that the Company has adequate resources to continue in operational existence for the foreseeable future. The Board has, in particular, considered the ongoing impact of geopolitical and macroeconomic challenges. The Company's assets, the majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly. All borrowings require the prior approval of the Board. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis. The Company has continued to comply with the investment trust status requirements of section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. Accordingly, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing these Financial Statements and confirm that they are not aware of any material uncertainties which may affect the Company's ability to continue to do so over a period of at least twelve months from the date of approval of these Financial Statements.

### **2. Financial information**

The financial information contained within this Interim Financial Report does not constitute statutory accounts as defined in sections 434 to 436 of the Companies Act 2006. The financial information for the year ended 31 October 2024 has been extracted from the statutory accounts which have been filed with the Registrar of Companies. The Auditor's Report on those accounts was not qualified but included a reference to Note 18 (Subsequent events) to which the Auditor drew attention by way of emphasis without qualifying the report. The Auditor's Report did not contain a statement under sections 498(2) or (3) of the Companies Act 2006.

### **3. Investment manager**

Baillie Gifford & Co Limited, a wholly owned subsidiary of Baillie Gifford & Co, has been appointed by the Company as its Alternative Investment Fund Manager and Company Secretary. The investment management function has been delegated to Baillie Gifford & Co. Dealing activity and transaction reporting have been further sub-delegated to Baillie Gifford Overseas Limited and Baillie Gifford Asia (Hong Kong) Limited. The management agreement is terminable on not less than three months' notice. The annual management fee is 0.75% on the first £50 million of net assets, 0.65% on the next £200 million of net assets and 0.55% on the remaining net assets.

### **4. Other administrative expenses**

The other administrative expenses have increased due to increased professional fees incurred in the reduction of the share premium account, the change in investment policy and the requisitioning of a General Meeting by Saba Capital.

## 5. Net return

	Six months to 30 April 2025 £'000	Six months to 30 April 2024 £'000	Year to 31 October 2024 £'000
Revenue return after taxation	(3,141)	(1,193)	(2,665)
Capital return after taxation	(14,892)	37,999	74,346
<b>Total net return</b>	<b>(18,033)</b>	<b>36,806</b>	<b>71,681</b>
<b>Weighted average number of ordinary shares in issue</b>	<b>370,469,199</b>	<b>385,075,674</b>	<b>381,569,206</b>

Net return per ordinary share is based on the above totals of revenue and capital and the weighted average number of ordinary shares in issue (after the deduction of shares held in treasury) issue during each period.

There are no dilutive or potentially dilutive shares in issue.

## 6. Dividend

No interim dividend has been declared.

## 7. Fair Value Hierarchy

The Company's investments are financial assets held at fair value through profit or loss. The fair value hierarchy used to analyse the basis on which the fair values of financial instruments held at fair value through the profit or loss account are measured is described below. Fair value measurements are categorised on the basis of the lowest (that is the least reliable or least independently observable) level input that is significant to the fair value measurement.

**Level 1** – using unadjusted quoted prices for identical instruments in an active market;

**Level 2** – using inputs, other than quoted prices included within Level 1, that are directly or indirectly observable (based on market data); and

**Level 3** – using inputs that are unobservable (for which market data is unavailable).

An analysis of the Company's financial asset investments based on the fair value hierarchy described above is shown below.

### Investments held at fair value through profit or loss

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>As at 30 April 2025</b>				
Listed equities	447,271	–	–	447,271
Unlisted ordinary shares	–	–	11,740	11,740
Suspended ordinary shares	–	–	1,068	1,068
Unlisted preference shares*	–	–	189,655	189,655
Unlisted convertible promissory note/convertible loan note	–	–	3,743	3,743
<b>Total financial asset investments</b>	<b>447,271</b>	<b>–</b>	<b>206,206</b>	<b>653,477</b>

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
<b>As at 31 October 2024 (audited)</b>				
Listed equities	520,954	–	–	520,954
Unlisted ordinary shares	–	–	15,220	15,220
Suspended ordinary shares	–	–	1,106	1,106
Unlisted preference shares*	–	–	163,863	163,863
Unlisted convertible promissory note/convertible loan note	–	–	3,889	3,889
<b>Total financial asset investments</b>	<b>520,954</b>	<b>–</b>	<b>184,078</b>	<b>705,032</b>

\* The investments in preference shares are not classified as equity holdings as they include liquidation preference rights that determine the repayment (or multiple thereof) of the original investment in the event for a liquidation event such as a take-over.

There have been no transfers between levels of the fair value hierarchy during the period. The fair value of listed investments is either bid price or, depending on the convention of the exchange on which the investment is listed, last traded price. Listed investments are categorised as Level 1 if they are valued using unadjusted quoted prices for identical instruments in an active market and as Level 2 if they do not meet all these criteria but are, nonetheless, valued using market data. Unlisted investments are valued at fair value by the Directors following a detailed review and appropriate challenge of the valuations proposed by the Managers. The Managers' unlisted investment policy applies methodologies consistent with the International Private Equity and Venture Capital Valuation guidelines ('IPEV'). The principal methodologies can be categorised as follows: (a) market approach (price of recent investment, multiples, industry valuation benchmarks and available market prices); (b) income approach (discounted cash flows); and (c) replacement cost approach (net assets). The Company's holdings in unlisted investments are categorised as Level 3 as unobservable data is a significant input to their fair value measurements.

## 8. Bank loans

At 30 April 2025 creditors falling due within one year include borrowings of £54,388,000 (31 October 2024 – £91,744,000) drawn down under a five year £100 million multi-currency revolving credit facility with The Royal Bank of Scotland International Limited which expires on 9 June 2026.

At 30 April 2025 the drawings were €5,969,000, US\$43,261,000 and £16,919,000 (31 October 2024 – €9,864,000, US\$71,166,000 and £28,060,000) drawn down under the £100 million multi-currency revolving credit facility.

At 30 April 2025 there were no drawings under the £36 million multi-currency revolving credit facility with the Bank of New York Mellon with an expiry date of 30 October 2026 (31 October 2024 – nil).

The fair value of the bank loans at 30 April 2025 was £54,388,000 (31 October 2024 – £91,744,000).

## 9. Share capital

	As at 30 April 2025		As at 31 October 2024	
	Number	£'000	Number	£'000
Allotted, called up and fully paid ordinary shares of 1p each	366,088,421	3,661	372,426,908	3,725
Treasury shares of 1p each	39,665,274	397	33,326,787	333
	<b>405,753,695</b>	<b>4,058</b>	<b>405,753,695</b>	<b>4,058</b>

In the six months to 30 April 2025, no shares were issued (in the six months to 30 April 2024 – no shares were issued). Over the period from 30 April 2025 to 23 June 2025 the Company issued no shares.

The Company has authority to buy back shares. In the six months to 30 April 2025, 6,338,487 shares with a nominal value of £63,000 were bought back at a total cost of £10,926,000 and held in treasury (in the six months to 30 April 2024 – 4,050,404 shares were bought back and held in treasury). At 30 April 2025 the Company had authority to buyback a further 51,282,867 ordinary shares.

Over the period from 30 April 2025 to 23 June 2025 5,855,000 shares with a nominal value of £59,000 have been bought back by the Company at a total cost of £9,705,000 and held in treasury.

## 10. Share Premium Account cancellation

On 11 February 2025 The Court of Session approved the cancellation of the amount standing to the credit of the Company's share premium account and the crediting of an equivalent amount to the Company's Distributable Capital Reserve. The Court Order became effective when it was filed with the Registrar of Companies on 20 February 2025.

## **11. Transaction Costs**

During the period the Company incurred transaction costs on purchases of investments of £43,000 (30 April 2024 – £27,000; 31 October 2024 – £158,000) and transaction costs on sales of £45,000 (30 April 2024 – £14,000; 31 October 2024 – £67,000).

## **12. Related party transactions**

There have been no transactions with related parties during the first six months of the current financial year that have materially affected the financial position or the performance of the Company during that period and there have been no changes in the related party transactions described in the last Annual Report and Financial Statements that could have had such an effect on the Company during that period.

None of the views expressed in this document should be construed as advice to buy or sell a particular investment.

## **Principal risks and uncertainties**

The principal risks facing the Company are investment strategy risk, financial risk, smaller company risk, private company (unlisted) investments risk, discount risk, political and associated economic financial risk, cyber security risk, climate and governance risk, regulatory risk, custody and depositary risk, operational risk, leverage risk and emerging risks. An explanation of these risks and how they are managed is set out on pages 46 to 50 of the Company's Annual Report and Financial Statements for the year to 31 October 2024 which is available on the Company's website: [edinburghworldwide.co.uk](http://edinburghworldwide.co.uk). The principal risks and uncertainties have not changed since the date of the Annual Report.



## Glossary of terms and Alternative Performance Measures ('APM')

An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

### Total assets

This is the Company's definition of Adjusted Total Assets, being the total value of assets held less all liabilities (other than liabilities in the form of borrowings).

### Net asset value ('NAV')

Also described as shareholders' funds, net asset value is the value of total assets less liabilities (including borrowings). Net asset value can be calculated on the basis of borrowings stated at book value and fair value. An explanation of each basis is provided below. The net asset value per share is calculated by dividing this amount by the number of ordinary shares in issue excluding any shares held in treasury.

### Net asset value (borrowings at book value)

Borrowings are valued at nominal book value (book cost).

### Net asset value (borrowings at fair value) (APM)

Borrowings are valued at an estimate of their market worth.

### Net asset value (reconciliation of NAV at book value to NAV at fair value)

	30 April 2025	31 October 2024
Net asset value per ordinary share (borrowings at book value)	165.44p	170.40p
Shareholders' funds (borrowings at book value)	£605,644,000	£634,603,000
Add: book value of borrowings	£54,388,000	£91,744,000
Less: fair value of borrowings	(£54,388,000)	(£91,744,000)
<b>Shareholders' funds (borrowings at fair value)</b>	<b>£605,644,000</b>	<b>£634,603,000</b>
Number of shares in issue	366,088,421	372,426,908
Net asset value per ordinary share (borrowings at fair value)	165.44p	170.40p

At 30 April 2025 and 31 October 2024 all borrowings are in the form of short term floating rate borrowings and their fair value is considered equal to their book value, hence there is no difference in the net asset value at book value and fair value.

### Net liquid assets

Net liquid assets comprise current assets less current liabilities, excluding borrowings.

### Discount/premium (APM)

As stockmarkets and share prices vary, an investment trust's share price is rarely the same as its net asset value. When the share price is lower than the net asset value per share it is said to be trading at a discount. The size of the discount is calculated by subtracting the net asset value per share from the share price 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, this situation is called a premium.

		30 April 2025	31 October 2024
Net asset value per share	(a)	165.44p	170.40p
Share price	(b)	154.40p	157.40p
<b>Discount ((b)-(a)) ÷ (a) expressed as a percentage</b>		<b>(6.7%)</b>	<b>(7.6%)</b>

### Total return (APM)

The total return is the return to shareholders after reinvesting the dividend on the date that the share price goes ex-dividend. The Company does not pay a dividend, therefore, the one year total returns for the share price and NAV per share at book and fair value are the same as the percentage movements in the share price and NAV per share at book and fair value.

### Leverage (APM)

Active share, a measure of how actively a portfolio is managed, is the percentage of the portfolio that differs from its comparative index. It is calculated by deducting from 100 the percentage of the portfolio that overlaps with the comparative index. An active share of 100 indicates no overlap with the index and an active share of zero indicates a portfolio that tracks the index.

### Active share (APM)

Active share, a measure of how actively a portfolio is managed, is the percentage of the portfolio that differs from its comparative index. It is calculated by deducting from 100 the percentage of the portfolio that overlaps with the comparative index. An active share of 100 indicates no overlap with the index and an active share of zero indicates a portfolio that tracks the index.

### Gearing (APM)

At its simplest, gearing is borrowing. Just like any other public company, an investment trust can borrow money to invest in additional investments for its portfolio. The effect of the borrowing on the shareholders' assets is called 'gearing'. If the Company's assets grow, the shareholders' assets grow proportionately more because the debt remains the same. But if the value of the Company's assets falls, the situation is reversed. Gearing can therefore enhance performance in rising markets but can adversely impact performance in falling markets.

Invested gearing is the Company's borrowings at book value less cash and cash equivalents (as adjusted for investment and share buy back/issuance transactions awaiting settlement) expressed as a percentage of shareholders' funds.

	As at 30 April 2025	As at 31 October 2024
Borrowings (at book value)	£54,388,000	£91,744,000
Less: cash and cash equivalents	(£7,141,000)	(£22,783,000)
Less: sales for subsequent settlement	(£122,000)	(£188,000)
Add: purchases for subsequent settlement	£1,142,000	£332,000
Add: buy backs awaiting settlement	£301,000	£171,000
Adjusted borrowings (a)	£48,568,000	£69,276,000
Shareholders' funds (b)	£605,644,000	£634,603,000
<b>Invested gearing: (a) as a percentage of (b)</b>	<b>8.0%</b>	<b>11.0%</b>

Potential gearing is the Company's borrowings expressed as a percentage of shareholders' funds.

	As at 30 April 2025	As at 31 October 2024
Borrowings (at book value) (a)	£54,388,000	£91,744,000
Shareholders' funds (b)	£605,644,000	£634,603,000
<b>Potential gearing: (a) as a percentage of (b)</b>	<b>9.0%</b>	<b>14.0%</b>

### Treasury shares

The Company has the authority to make market purchases of its ordinary shares for retention as treasury shares for future reissue, resale, transfer, or for cancellation. Treasury shares do not receive distributions and the Company is not entitled to exercise the voting rights attaching to them.

**Private (unlisted) company**

An unlisted or private company means a company whose shares are not available to the general public for trading and are not listed on a stock exchange.

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