

# EDINBURGH WORLDWIDE INVESTMENT TRUST plc

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Growth companies  
shaping our tomorrow



Interim Financial Report  
30 April 2022





## Objective

Edinburgh Worldwide's objective is the achievement of long term capital growth by investing primarily in listed companies throughout the world.

## Comparative Index

The index against which performance is compared is the S&P Global Small Cap Index total return (in sterling terms).

## Principal Risks and Uncertainties

The principal risks facing the Company are financial risk, investment strategy risk, discount risk, regulatory risk, custody and depositary risk, small company risk, private company (unlisted) investments, operational risk, leverage risk, political and associated economic risk and emerging risks. An explanation of these risks and how they are managed is set out on pages 9 and 10 of the Company's Annual Report and Financial Statements for the year to 31 October 2021 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.

## 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  
Henry CT Strutt  
Chairman  
1 June 2022

## Summary of Unaudited Results\*

|                                                                                  | 30 April 2022 | 31 October 2021<br>(audited) | % change |
|----------------------------------------------------------------------------------|---------------|------------------------------|----------|
| Total assets (before deduction of loans)                                         | £947.2m       | £1,407.5m                    |          |
| Loans                                                                            | £69.7m        | £66.2m                       |          |
| Shareholders' funds                                                              | £877.5m       | £1,341.4m                    |          |
| Net asset value per ordinary share<br>(after deducting borrowings at book value) | 218.16p       | 331.03p                      | (34.1)   |
| Share price                                                                      | 196.60p       | 319.50p                      | (38.5)   |
| Comparative index (in sterling terms) <sup>#‡</sup>                              |               |                              | (6.8)    |
| Discount (after deducting borrowings at book value) <sup>†</sup>                 | (9.9%)        | (3.5%)                       |          |
| Active share (relative to S&P Global Small Cap Index) <sup>†</sup>               | 99%           | 99%                          |          |

| Performance since broadening of investment policy                                             | 30 April 2022 | 31 January 2014 | % change |
|-----------------------------------------------------------------------------------------------|---------------|-----------------|----------|
| <b>99 months from 31 January 2014</b>                                                         |               |                 |          |
| Net asset value per ordinary share<br>(after deducting borrowings at book value)              | 218.16p       | 87.34p          | 149.8    |
| Net asset value per ordinary share<br>(after deducting borrowings at fair value) <sup>†</sup> | 218.16p       | 87.43p          | 149.5    |
| Share price                                                                                   | 196.60p       | 81.00p          | 142.7    |
| Comparative index (in sterling terms) <sup>#‡</sup>                                           |               |                 | 132.9    |

|                            | Six months to<br>30 April 2022 | Six months to<br>30 April 2021 |
|----------------------------|--------------------------------|--------------------------------|
| Revenue earnings per share | (0.23p)                        | (0.31p)                        |

|                                                                                  | Six months to<br>30 April 2022 | Six months to<br>30 April 2021 | 99 months from<br>31 January 2014 |
|----------------------------------------------------------------------------------|--------------------------------|--------------------------------|-----------------------------------|
| <b>Total returns (%)<sup>†‡</sup></b>                                            |                                |                                |                                   |
| Net asset value per ordinary share<br>(after deducting borrowings at fair value) | (34.1)                         | 24.9                           | 150.9                             |
| Share price                                                                      | (38.5)                         | 24.5                           | 143.9                             |
| Comparative index (in sterling terms) <sup>#‡</sup>                              | (6.8)                          | 30.3                           | 132.9                             |

|                                                                                               | Six months to 30 April 2022 |            | Year to 31 October 2021 |            |
|-----------------------------------------------------------------------------------------------|-----------------------------|------------|-------------------------|------------|
| <b>Period's high and low</b>                                                                  | <b>High</b>                 | <b>Low</b> | <b>High</b>             | <b>Low</b> |
| Share price                                                                                   | 335.00p                     | 194.60p    | 423.00p                 | 287.50p    |
| Net asset value per ordinary share<br>(after deducting borrowings at book value) <sup>†</sup> | 338.36p                     | 218.16p    | 409.88p                 | 279.90p    |
| Premium/(discount) (after deducting<br>borrowings at book value) <sup>†</sup>                 | 5.5%                        | (15.1%)    | 5.8%                    | (9.4%)     |

### Notes

\*For a definition of terms see Glossary of Terms and Alternative Performance Measures on pages 28 to 30. †Alternative Performance Measure see Glossary of Terms and Alternative Performance Measures on pages 28 to 30. #S&P Global Small Cap Index total return (in sterling terms). ‡Source: Refinitiv and relevant underlying index providers. See disclaimer on page 33.

Past performance is not a guide to future performance.

# Interim Management Report

## Performance and Backdrop

Over the six months to 30 April 2022, the Company's net asset value per share decreased by 34.1%, which compares to a fall of 6.8% in the S&P Global Smaller Companies Index\*, total return in sterling terms, over the same period. The share price over the six months fell by 38.5% to 196.60p representing a discount of 9.9% to the net asset value as at 30 April 2022 compared to a 3.5% discount at the beginning of the period. Over the five years to 30 April 2022, the Company's net asset value per share increased by 80.7%, which compares to an increase of 47.0% in the S&P Global Smaller Companies Index\*, total return in sterling terms, over the same period. The share price over the five years increased by 79.1%.

Over the six months to 30 April 2022, 550,000 shares were issued and 3,525,695 shares were bought back and held in treasury. Since the period end to 31 May 2022, a further 3,192,854 shares have been bought back and held in treasury. The Company is prepared to buy back its own shares when the discount is substantial in absolute terms and relative to its peers. Having widened to double digit levels, and in the absence of notable demand, since mid-March the Company has regularly bought back stock at levels that are meaningfully accretive to the Company's net asset value. Rather than selling existing holdings to fund these buybacks, existing borrowing facilities have been utilised, thereby simultaneously incrementally increasing the Company's invested gearing, as we believe that the current portfolio is composed of attractively valued growth companies that have the potential to deliver on their respective business strategies. As at the end of April 2022, invested gearing stood at 7.2% of shareholders' funds, having been 2.5% six months earlier. As at the end of May 2022, invested gearing had increased to 8.7%.

The past six months have been a challenging one for stock markets. This has been most acute for those listed companies where their commercial activities have yet to scale and consequently their profits skew to outer years. The stocks favoured by the Company have been in the eye of the storm. The attributes that we like about them – they are building

better and more efficient ways of solving large problems – have been markedly out of sync with the stability and defensiveness craved by the market currently. The reasons for this are complicated but we try and unpick them below.

There have been two prominent themes active in financial markets over the past decade and beyond. The first is that of technology empowered globalisation: the liberalisation of trade and information flow helping drive a more interconnected and efficient business landscape. The second is that of benign inflation and the expansionary monetary policy of many central banks (much of that stemming from the Financial Crisis over a decade ago but more recently from the response to the pandemic).

Both these themes have provided a supportive environment for equity investors. Globalisation acted to increase the addressable market for many businesses which synergised with digital technologies to make such endeavours scalable. Benign inflation and low interest rates offered stability for businesses and encouraged investment and the building of future cashflows (on the basis that such cashflows were less eroded by discounting them to their present value). The recent potent combination of escalating geopolitical tension, military conflict in Europe and the after-effects of the pandemic have pushed investors to reassess these two themes.

We have previously noted how pandemic-stretched supply chains were feeding into inflation of both goods and services. Our working assumption was that this would be transient and effectively self-correcting as the supply and demand normalised. There is mounting evidence to suggest that inflation is more pronounced, persistent and global in scope than the market expected. This is being exacerbated by the conflict in Ukraine driving up energy and food supply costs, but also by the ongoing disruption to Chinese manufacturing as the authorities take an aggressive approach to the spike in Covid-19 cases. While it could be argued that additional exacerbating forces might soon subside, our sense is that they could well remain as pressure points into the future, not least because their impacts have secondary consequences that will take time to fully play through.

\* Source: Refinitiv and relevant underlying index providers. See disclaimer on page 33.

For a definition of terms see Glossary of Terms and Alternative Performance Measures on pages 28 to 30.

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

Past performance is not a guide to future performance.

As inflation in many developed markets approaches double-digit annual percentage rates, the stock market has begun to fret about how this will impact on consumption, wage growth, business confidence and whether it will push central banks into a belated 'cull inflation at all costs' series of aggressive interest rate rises. We are not economic forecasters, but neither do we feel we need to be to recognise that the next few years might well be one characterised by stubbornly elevated inflation, tempered consumption and more expensive borrowing costs. It's not an environment that we would choose but neither is it one that we feel especially troubled by. The clear lessons of the past century have demonstrated that technologies and the companies that harness them play the greatest role in shaping society and driving progress. The cycles that influence such developments share very little, if any, overlap with the cycles that drive the economy, inflation or interest rates.

Additionally, when economic growth is scarce and inflation elevated, we believe there are two attributes that will help some companies emerge from this situation in a stronger position. First, companies achieving real growth driven by increased need and adoption of a differentiated product offering. Second, companies that both develop and exploit intrinsically more efficient ways of solving huge problems. The combination of these characteristics yields both the opportunity to grow, the pricing power to protect margins and the scalable cost base to improve them over time. In summary, companies that deliver better, cheaper and more efficient solutions should ultimately find the tougher current environment one where their relative attractions hold more sway given sufficient time. While companies such as Ocado and the freelance network Upwork are currently caught in the 'growth is out of fashion' narrative active in today's stock market, we think they represent great examples of businesses where the inflation and tight labour force dynamics work to their long-term structural advantage.

Escalating geopolitical tension has been evident for several years, most notably between the US and China regarding technology and intellectual property. Recently, a more philosophical axis of difference has come to the fore; one that pitches societies that operate around democratic principles against those of authoritarian control. The conflict in Ukraine, and the resulting response from many countries, is a tragic embodiment of this. Exploring this topic in detail is

beyond this commentary, but we think the challenge to globalisation is real. Thirty plus years of taking down barriers to trade and driving efficient globally connected supply chains is not easy to unpick. The patterns of business and trade are too interconnected to suddenly move to a different model, even if that was the favoured outcome. But when it comes to how businesses think about allocating incremental capital, greater emphasis will be placed on the continuity of supply through more diversified supply chains and a degree of onshoring. Such efforts, while ultimately being more robust, will be additive to the inflationary pressures outlined above and would likely stimulate investment in much more automated and robotics-based processes to insulate corporate margins. We think this latter point is important as it hints at how technology and innovative solutions will likely become an even more prominent driver of business opportunity in a post-globalisation age.

Changes in the market backdrop are always going to be hard to predict and difficult for both investors and companies to digest. A pivot by stock markets towards defensive companies is perhaps not too surprising at a time of such flux. However, we find the aggressive derating of growth focused businesses too reactionary and blunt in its application. A rising interest rate environment will naturally have a mechanical flow through to valuations but, in our minds, the current aggressive sell off (including that since 30 April 2022) is more synonymous with growth being mistakenly viewed as an intrinsic fragility within a business. For companies where the growth potential largely sits outwith the influence of macro trends and geopolitics we find this both odd and short sighted, but ultimately a source of investment opportunity for the future.

Growth doesn't come for free. Companies must invest in both human and physical assets to enable it. Such a dynamic necessitates that those companies investing for future growth will have financial characteristics that are immature regarding their ultimate potential. What's important to us isn't the snapshot of where a company currently sits along that journey. Rather, it's an assessment around a company having the capability and the means to progress along the spectrum of immaturity and realise its full potential. Despite the deterioration in the backdrop, we think this assessment holds very well for the vast majority of holdings in the portfolio. We sense that current valuations of many of the holdings imply an overly



## Interim Management Report (continued)

aggressive discounting of growth potential beyond that which could be considered near-term and highly visible. As stock pickers of companies where we are genuinely excited by what they might build over the coming decades, we think the current downward repricing of the long-term growth opportunity readily captures the near-term uncertainty and risk posed by the current environment.

### Portfolio Update

The recent reporting periods have given insights on how our holdings have performed as the worst of the pandemic subsides and businesses seek a return to normality. Most have navigated this transition well, perhaps most notably Tesla, but for some the disruption has had a lingering effect. We generally view such second order effects of the pandemic as unhelpful developments as opposed to thesis changing events, but with the stock market in an unforgiving mode any such disappointments have typically resulted in aggressive selloffs.

Chegg, the online education company, warned of reduced uptake of its study-aid subscription packages at the start of the academic year on account of reduced student enrolments and unfavourable course dynamics. We think these challenges are transitory but are monitoring whether students' attitudes towards further education (and perhaps exams) might have changed given the abundance of workplace opportunities that currently exist.

At US real estate portal Zillow, we saw the company make an unexpected about-turn on its Zillow Offers product in which it acted as the buyer to willing sellers of property. Poor execution and a backdrop of aggressive price increases in US house prices had made the predictability of the Zillow offering one that was difficult to scale. Zillow Offers had been the company's all-guns-blazing attempt to monetise the selling agent side of the housing transaction to complement the buy-side lead generation that the core marketplace of Zillow had established. Whilst we view its demise as disappointing (largely as we feel we never really got a proper read out on the experiment) we think many of the processes and workflows that it had built for the Zillow Offers product can now be monetised in other less capital-intensive ways and so we decided to retain our exposure.

Teladoc, a virtual healthcare provider, gave a disappointing update regarding competitive activity slowing its consumer-focused behavioural health

segment. The bigger opportunity as we see it relates to Teladoc building out comprehensive virtual medical services for its employer and health plan customers. This is a long-term opportunity that Teladoc has been building towards through organic and acquisitive activity and one for which we remain enthusiastic.

Out of the 116 companies held, 19 stocks in the portfolio generated positive absolute returns in sterling terms over the six months to the end of April. Conversely, 35 stocks fell more than 50%. Such an extreme distribution of returns illustrates how growth stocks across the board have suffered in the current environment. Bright spots would include Pacira BioSciences, a provider of novel anaesthetics and pain management products, where a recovery in surgical procedures is synergising with the growing demand for non-opioid pain management. In the unlisted portion of the portfolio Akili, a therapeutically focused digital games designer, announced its intention to transition to public markets through a SPAC structure. With a significant commercial launch looming for its FDA-approved game for ADHD, the cash injection from this process gives the business significant firepower to drive awareness of its highly novel offering. SpaceX's launch and internet businesses continue to scale. Demand for crew, cargo, tourism and satellite missions over the last six months alone has seen their reusable rockets launching at a rate of one every week. Thanks to this unique capability, the company has also been able to place over 2,600 Starlink satellites in orbit, providing high-speed internet access to a rapidly growing user base of over a quarter million subscribers around the globe.

We acquired six new holdings over the six months, comprising four listed companies and two private companies.

The new positions in Schrödinger and AbCellera reflect the increased use of software to optimise the drug development process, thereby driving efficiency in both time and dollars spent. Schrödinger's software function is a structure prediction/optimisation tool based on codifying the fundamental rules of physical chemistry. It is used by small molecule drug designers to optimise candidate drug molecules to favour particular attributes (e.g. affinity, solubility bioavailability, half-life etc.). The predictive abilities of its software have found favour within the Pharmaceutical and Biotech industry (it's already used in some capacity by the top 20 drug development companies), and we see scope for this to grow as customers increase the

breadth and number of licenses they take. As this unfolds, we see a route by which Schrödinger might carve out a key position as the operating/collaboration layer across drug development which could deliver even greater efficiency savings (traditional drug development is a highly siloed process with a low level of process integration). While the bulk of the current commercial efforts to date have been in selling software, Schrödinger also operates an in-house drug development programme which is beginning to yield some interesting clinical candidates of its own. Whilst clearly validating the power of its code this also opens potential routes for drug out-licensing.

AbCellera provides antibody discovery services for pharmaceutical and biotech partners. AbCellera improves the speed, and potentially the quality, of antibody discovery by leveraging its in-house technology, which consists of a proprietary immunisation method, single cell screening, bi-specific antibody engineering and supporting data and software. We believe that its technology is differentiated and valuable, which will allow the company to capture an increasing share of antibody development programmes. The antibody therapeutics market is large and growing and AbCellera monetises this through high-margin milestone and royalty payments.

Expensify is a leading provider of expense management software. Using software to automate expense management is far from novel and has been used by large companies for decades. However, incumbents have struggled to find a profitable and efficient way to provide software to smaller and medium sized businesses (SMBs). With a distinctive approach to selling and building its products, Expensify has been able to provide expense management software to the underserved SMB market. The size of the opportunity, the company's strong customer focus and the potential for the product to evolve further by adding additional functionality around billing, invoicing and payroll led us to participate in the company's IPO.

Progyny provide fertility benefits to employees on behalf of large companies in the US. The fertility market remains vastly underserved relative to the underlying demand: 1 in 8 heterosexual couples report fertility challenges and demand from LGBTQ and single parent families is also on the rise. The current lack of access to help is due to societal taboos around fertility along with the high cost of procedures, making them out of reach for many. Progyny's business is entirely focused on improving economic access to

high quality fertility services which it achieves through a combination of intelligent plan design and human support, overlayed on a nationwide network of partner fertility clinics. Data suggests that Progyny's fertility outcomes are markedly better than industry averages. There remains a vast opportunity to grow its US client base, to develop additional fertility/parenthood-related services and to expand internationally with its growing number of multi-national corporate clients.

DNA Script is a private company offering enzymatic DNA-synthesis services for the growing synthetic-biology industry, where DNA is an important building-block. Competing DNA-synthesis approaches are based on long-established chemical methods that are nearing maximum optimisation. Enzymatic DNA-synthesis has the potential to both increase the DNA-synthesis efficiency and to make the synthesis more sustainable. DNA Script is differentiated by being the first player to commercialise an enzymatic DNA printer (in the form of a benchtop instrument) and for specialising in the high-value/low-volume modified-oligo segment that can be mission-critical for customers and thus represents a promising foothold for continued commercial traction.

BillionToOne is a private company that aims to make molecular diagnostics more accurate, efficient and accessible. The company has built an innovative technology platform consisting of a DNA molecular counter which has led to the commercialisation of the first single gene non-invasive pre-natal test (NIPT), redefining the accuracy with which pregnancy screening can be carried out. But the ambition of the company is far broader; it is attempting to build its existing pre-natal business and then expanding into oncology, with the long-term goal of tackling early cancer detection via liquid biopsy. We have been impressed by the company's progress to date, alongside the first principle thinking of the founding team.

New purchases were primarily funded through reductions to Tesla as the company is maturing. We also exited the nerve repair company AxoGen as we felt we had given sufficient time for the company to improve its commercial progress.

The principal risks and uncertainties facing the Company are set out on the inside front cover of this report.

## Baillie Gifford Statement on Stewardship

### Reclaiming Activism for Long-Term Investors

Baillie Gifford's over-arching ethos is that we are 'actual' investors. We have a responsibility to behave as supportive and constructively engaged long-term investors. We invest in companies at different stages in their evolution, across vastly different industries and geographies and we celebrate their uniqueness. Consequently, we are wary of prescriptive policies and rules, believing that these often run counter to thoughtful and beneficial corporate stewardship. Our approach favours a small number of simple principles which help shape our interactions with companies.



# Our Stewardship Principles

## Prioritisation of Long-Term Value Creation

We encourage company management and their boards to be ambitious and focus their investments on long-term value creation. We understand that it is easy for businesses to be influenced by short-sighted demands for profit maximisation but believe these often lead to sub-optimal long-term outcomes. We regard it as our responsibility to steer businesses away from destructive financial engineering towards activities that create genuine economic value over the long run. We are happy that our value will often be in supporting management when others do not.

## A Constructive and Purposeful Board

We believe that boards play a key role in supporting corporate success and representing the interests of minority shareholders. There is no fixed formula, but it is our expectation that boards have the resources, cognitive diversity and information they need to fulfil these responsibilities. We believe that a board works best when there is strong independent representation able to assist, advise and constructively test the thinking of management.

## Long-Term Focused Remuneration with Stretching Targets

We look for remuneration policies that are simple, transparent and reward superior strategic and operational endeavour. We believe incentive schemes can be important in driving behaviour, and we encourage policies which create alignment with genuine long-term shareholders. We are accepting of significant pay-outs to executives if these are commensurate with outstanding long-run value creation, but plans should not reward mediocre outcomes. We think that performance hurdles should be skewed towards long-term results and that remuneration plans should be subject to shareholder approval.

## Fair Treatment of Stakeholders

We believe it is in the long-term interests of companies to maintain strong relationships with all stakeholders, treating employees, customers, suppliers, governments and regulators in a fair and transparent manner. We do not believe in one-size-fits-all governance and we recognise that different shareholder structures are appropriate for different businesses. However, regardless of structure, companies must always respect the rights of all equity owners.

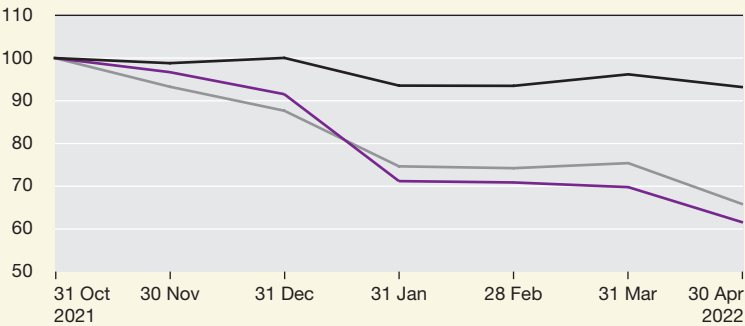
## Sustainable Business Practices

We look for companies to act as responsible corporate citizens, working within the spirit and not just the letter of the laws and regulations that govern them. We believe that corporate success will only be sustained if a business's long-run impact on society and the environment is taken into account. Management and boards should therefore understand and regularly review this aspect of their activities, disclosing such information publicly alongside plans for ongoing improvement.

# Six Months Performance and Premium/(Discount) to Net Asset Value\* (unaudited)

## Six Months Performance

(figures plotted on a monthly basis and rebased to 100 at 31 October 2021)



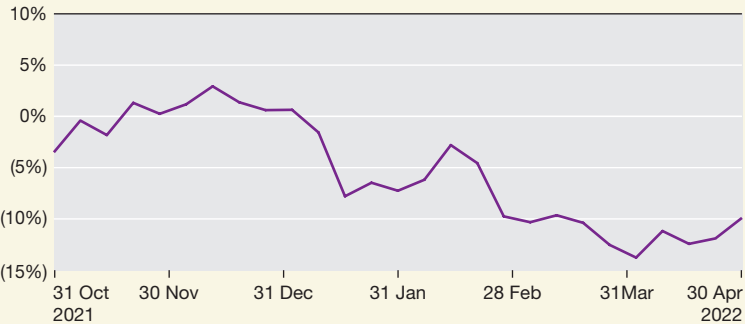
Source: Refinitiv/Baillie Gifford and relevant underlying index providers.  
See disclaimer on page 33.

- Share price total return
- NAV total return (after deducting borrowings at book value)
- Comparative index†

†S&P Global Small Cap Index total return (in sterling terms). See disclaimer on page 33.

## Premium/(Discount) to Net Asset Value

(plotted on a weekly basis)



Source: Refinitiv/Baillie Gifford.  
See disclaimer on page 33.

- Edinburgh Worldwide premium/(discount) (after deducting borrowings at book value)#

The premium/(discount) is the difference between Edinburgh Worldwide's quoted share price and its underlying net asset value calculated after deducting borrowings at fair value.

\* For a definition of terms see Glossary of Terms and Alternative Performance Measures on pages 28 to 30.

# Alternative Performance Measure – for a definition of terms see Glossary of Terms and Alternative Performance Measures on pages 28 to 30.

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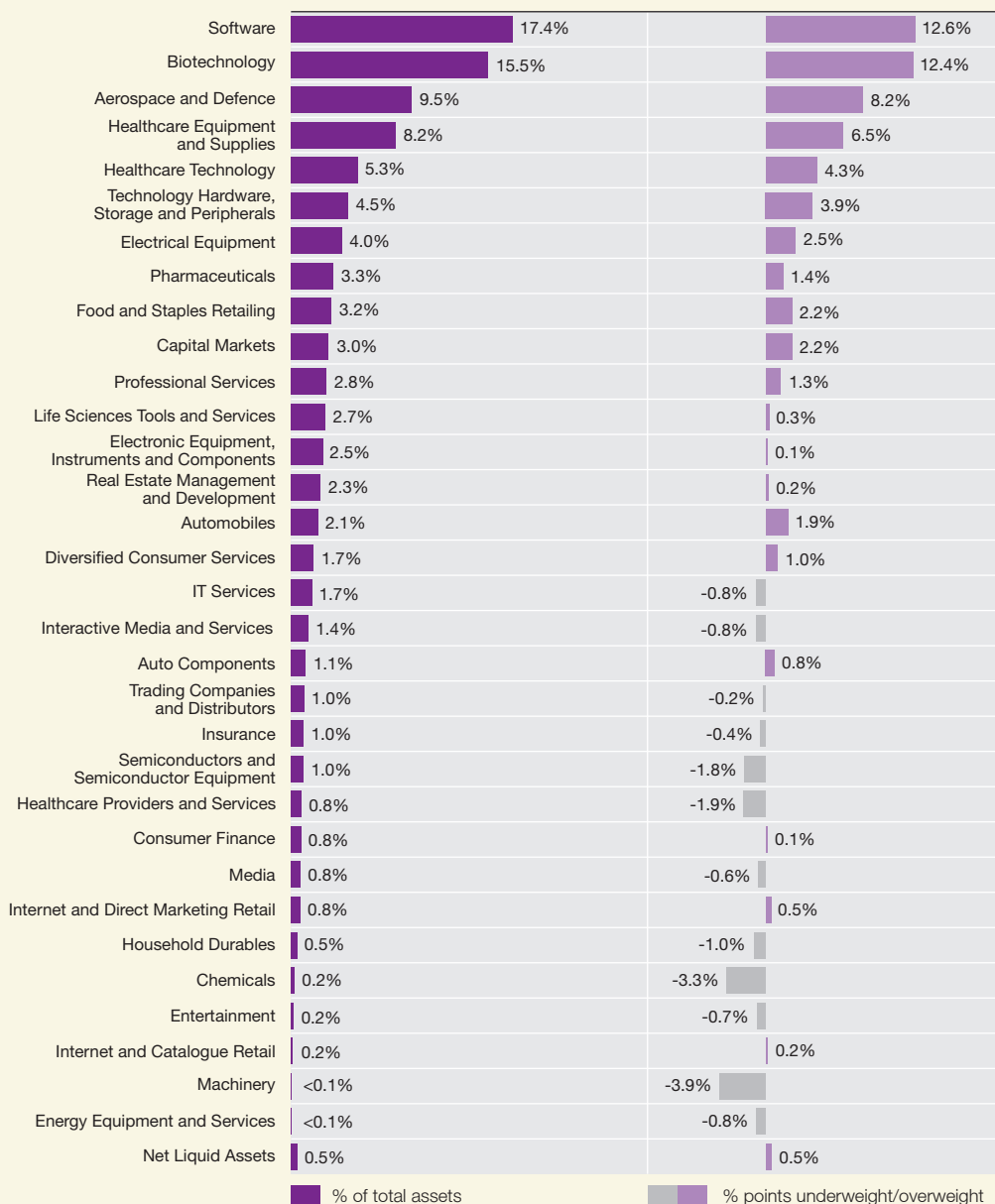
## Distribution of Total Assets\* (unaudited)

At 30 April 2022

Industry Analysis

Portfolio Weightings

(relative to comparative index†)



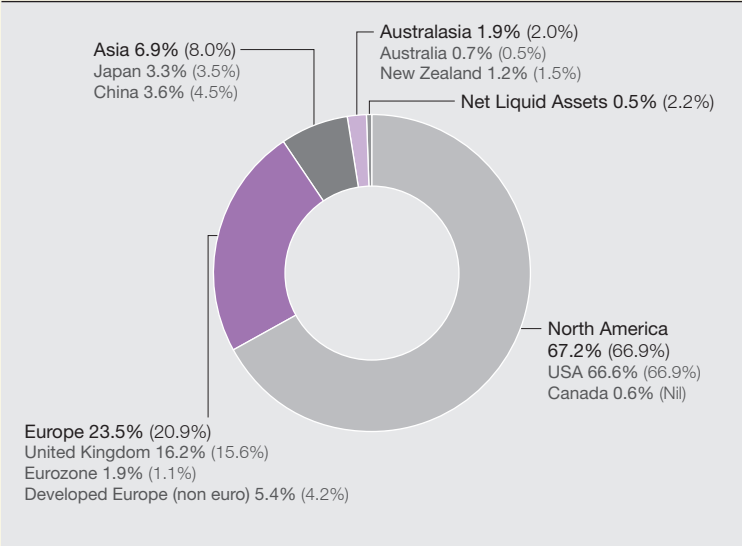
\* Total assets before deduction of loans.

† S&P Global Small Cap Index. Weightings exclude industries where the Company has no exposure. See disclaimer on page 33.

# Distribution of Total Assets\* (unaudited)

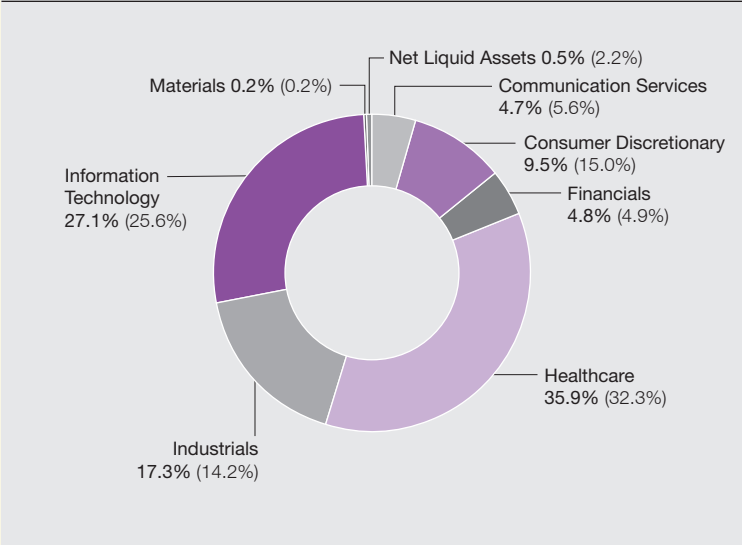
## Geographical Analysis at 30 April 2022

(31 October 2021)



## Sectoral Analysis at 30 April 2022

(31 October 2021)



\* Total assets before deduction of loans.

## Performance of the Top 20 Holdings at 30 April 2022 (unaudited)

| Name                                        | Business                                                           | Country | Value<br>£'000 | % of<br>total<br>assets * | Performance†<br>Absolute<br>% | Relative<br>% |
|---------------------------------------------|--------------------------------------------------------------------|---------|----------------|---------------------------|-------------------------------|---------------|
| Space Exploration Technologies <sup>Ⓢ</sup> | Designs, manufactures and launches advanced rockets and spacecraft | USA     | 48,706         | 5.1                       | 28.1                          | 37.5          |
| Alnylam Pharmaceuticals                     | Drug developer focused on harnessing gene silencing technology     | USA     | 42,642         | 4.5                       | (8.7)                         | (2.0)         |
| PsiQuantum <sup>Ⓢ</sup>                     | Developer of commercial quantum computing                          | USA     | 33,681         | 3.5                       | (0.1)                         | 7.2           |
| Ocado                                       | Online grocery retailer and technology provider                    | UK      | 30,008         | 3.2                       | (48.8)                        | (45.1)        |
| Novocure                                    | Manufacturer of medical devices for cancer treatment               | USA     | 26,720         | 2.8                       | (18.1)                        | (12.1)        |
| MarketAxess                                 | Electronic bond trading platform                                   | USA     | 23,487         | 2.5                       | (29.4)                        | (24.2)        |
| STAAR Surgical                              | Ophthalmic implants for vision correction                          | USA     | 22,893         | 2.4                       | (47.3)                        | (43.4)        |
| Upwork                                      | Online freelancing and recruitment services platform               | USA     | 21,802         | 2.3                       | (51.4)                        | (47.9)        |
| Zillow <sup>#</sup>                         | US online real estate portal                                       | USA     | 21,301         | 2.3                       | (58.3)                        | (55.3)        |
| Akili Interactive Labs <sup>Ⓢ</sup>         | Digital medicine company                                           | USA     | 20,415         | 2.1                       | 72.4                          | 85.0          |
| Tesla                                       | Electric vehicles, autonomous driving and solar energy             | USA     | 20,254         | 2.1                       | (15.3)                        | (9.1)         |
| Pacira BioSciences                          | Opioid free analgesics developer                                   | USA     | 19,050         | 2.0                       | 55.7                          | 67.1          |
| Oxford Nanopore Technologies <sup>Ⓢ</sup>   | Novel DNA sequencing technology                                    | UK      | 17,240         | 1.8                       | (45.1)                        | (41.1)        |
| Kingdee International Software              | Enterprise management software provider                            | China   | 16,883         | 1.8                       | (31.3)                        | (26.2)        |
| Chegg                                       | Online educational company                                         | USA     | 16,387         | 1.7                       | (54.2)                        | (50.9)        |
| Genmab                                      | Antibody based drug development                                    | Denmark | 15,599         | 1.6                       | (13.5)                        | (7.2)         |
| Codexis                                     | Industrial and pharmaceutical enzyme developer                     | USA     | 15,379         | 1.6                       | (62.1)                        | (59.3)        |
| BlackLine                                   | Enterprise financial software provider                             | USA     | 14,971         | 1.6                       | (42.3)                        | (38.1)        |
| CyberArk Software                           | Cyber security solutions provider                                  | Israel  | 14,408         | 1.5                       | (4.7)                         | 2.2           |
| AeroVironment                               | Small unmanned aircraft and tactical missile systems               | USA     | 14,111         | 1.5                       | (1.6)                         | 5.6           |
|                                             |                                                                    |         | <b>455,937</b> | <b>47.9</b>               |                               |               |

\* Total assets before deduction of loans.

† Absolute and relative performance has been calculated on a total return basis over the period 1 November 2021 to 30 April 2022. Absolute performance is in sterling terms; relative performance is against S&P Global Small Cap Index (in sterling terms). Source: Baillie Gifford/StatPro and relevant underlying index providers. See disclaimer on page 33.

<sup>Ⓢ</sup> Denotes unlisted security.

<sup>Ⓢ</sup> Denotes security where majority of holding was previously held in the portfolio as an unlisted security.

<sup>#</sup> More than one line of stock held. Holding information represents the aggregate of all lines of stock.

Past performance is not a guide to future performance.

## List of Investments as at 30 April 2022 (unaudited)

| Name                                                           | Business                                                           | Country | Value<br>£'000 | % of<br>total<br>assets * |
|----------------------------------------------------------------|--------------------------------------------------------------------|---------|----------------|---------------------------|
| Space Exploration Technologies Series N Preferred <sup>®</sup> | Designs, manufactures and launches advanced rockets and spacecraft | USA     | 27,915         | 2.9                       |
| Space Exploration Technologies Series J Preferred <sup>®</sup> | Designs, manufactures and launches advanced rockets and spacecraft | USA     | 12,663         | 1.3                       |
| Space Exploration Technologies Series K Preferred <sup>®</sup> | Designs, manufactures and launches advanced rockets and spacecraft | USA     | 5,773          | 0.6                       |
| Space Exploration Technologies Class A Common <sup>®</sup>     | Designs, manufactures and launches advanced rockets and spacecraft | USA     | 1,800          | 0.2                       |
| Space Exploration Technologies Class C Common <sup>®</sup>     | Designs, manufactures and launches advanced rockets and spacecraft | USA     | 555            | 0.1                       |
|                                                                |                                                                    |         | 48,706         | 5.1                       |
| Alnylam Pharmaceuticals                                        | Drug developer focused on harnessing gene silencing technology     | USA     | 42,642         | 4.5                       |
| PsiQuantum Series C Preferred <sup>®</sup>                     | Developer of commercial quantum computing                          | USA     | 20,058         | 2.1                       |
| PsiQuantum Series D Preferred <sup>®</sup>                     | Developer of commercial quantum computing                          | USA     | 13,623         | 1.4                       |
|                                                                |                                                                    |         | 33,681         | 3.5                       |
| Ocado                                                          | Online grocery retailer and technology provider                    | UK      | 30,008         | 3.2                       |
| Novocure                                                       | Manufacturer of medical devices for cancer treatment               | USA     | 26,720         | 2.8                       |
| MarketAxess                                                    | Electronic bond trading platform                                   | USA     | 23,487         | 2.5                       |
| STAAR Surgical                                                 | Ophthalmic implants for vision correction                          | USA     | 22,893         | 2.4                       |
| Upwork                                                         | Online freelancing and recruitment services platform               | USA     | 21,802         | 2.3                       |
| Zillow Class C                                                 | US online real estate portal                                       | USA     | 18,504         | 2.0                       |
| Zillow Class A                                                 | US online real estate portal                                       | USA     | 2,797          | 0.3                       |
|                                                                |                                                                    |         | 21,301         | 2.3                       |
| Akili Interactive Labs Series D Preferred <sup>®</sup>         | Digital medicine company                                           | USA     | 16,408         | 1.7                       |
| Akili Interactive Labs Series C Preferred <sup>®</sup>         | Digital medicine company                                           | USA     | 4,007          | 0.4                       |
|                                                                |                                                                    |         | 20,415         | 2.1                       |
| Tesla                                                          | Electric vehicles, autonomous driving and solar energy             | USA     | 20,254         | 2.1                       |
| Pacira BioSciences                                             | Opioid free analgesics developer                                   | USA     | 19,050         | 2.0                       |



| Name                                            | Business                                                               | Country     | Value<br>£'000 | % of<br>total<br>assets * |
|-------------------------------------------------|------------------------------------------------------------------------|-------------|----------------|---------------------------|
| Oxford Nanopore Technologies®                   | Novel DNA sequencing technology                                        | UK          | 17,240         | 1.8                       |
| Kingdee International Software                  | Enterprise management software provider                                | China       | 16,883         | 1.8                       |
| Chegg                                           | Online educational company                                             | USA         | 16,387         | 1.7                       |
| Genmab                                          | Antibody based drug development                                        | Denmark     | 15,599         | 1.6                       |
| Codexis                                         | Industrial and pharmaceutical enzyme developer                         | USA         | 15,379         | 1.6                       |
| BlackLine                                       | Enterprise financial software provider                                 | USA         | 14,971         | 1.6                       |
| CyberArk Software                               | Cyber security solutions provider                                      | Israel      | 14,408         | 1.5                       |
| AeroVironment                                   | Small unmanned aircraft and tactical missile systems                   | USA         | 14,111         | 1.5                       |
| Ceres Power Holding                             | Developer of fuel cells                                                | UK          | 14,072         | 1.5                       |
| Sprout Social                                   | Cloud based software for social media management                       | USA         | 11,993         | 1.3                       |
| Axon Enterprise                                 | Law enforcement equipment and software provider                        | USA         | 11,816         | 1.2                       |
| ITM Power                                       | Hydrogen energy solutions manufacturer                                 | UK          | 11,544         | 1.2                       |
| Xero                                            | Cloud based accounting software for small and medium-sized enterprises | New Zealand | 11,427         | 1.2                       |
| Tandem Diabetes Care                            | Manufacturer of insulin pumps for diabetic patients                    | USA         | 11,390         | 1.2                       |
| Exact Sciences                                  | Non-invasive molecular tests for early cancer detection                | USA         | 11,299         | 1.2                       |
| Appian                                          | Enterprise software developer                                          | USA         | 11,012         | 1.2                       |
| QuantumScape                                    | Solid-state batteries for electric vehicles                            | USA         | 10,875         | 1.1                       |
| ShockWave Medical                               | Medical devices manufacturer                                           | USA         | 10,339         | 1.1                       |
| Epic Games®                                     | Video game platform and software developer                             | USA         | 10,306         | 1.1                       |
| Zai Lab                                         | Chinese bio-pharmaceutical development and distribution company        | China       | 10,253         | 1.1                       |
| Relativity Space Series D Preferred®            | 3D printing and aerospace launch company                               | USA         | 6,495          | 0.7                       |
| Relativity Space Series E Preferred®            | 3D printing and aerospace launch company                               | USA         | 3,546          | 0.4                       |
|                                                 |                                                                        |             | 10,041         | 1.1                       |
| MonotaRO                                        | Online business supplies                                               | Japan       | 9,666          | 1.0                       |
| Trupanion                                       | Pet health insurance provider                                          | USA         | 9,392          | 1.0                       |
| Astranis Space Technologies Series C Preferred® | Communication satellite manufacturing and operation                    | USA         | 9,366          | 1.0                       |

## List of Investments as at 30 April 2022 (unaudited)

| Name                                                                              | Business                                                                                | Country     | Value<br>£'000 | % of<br>total<br>assets * |
|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------|----------------|---------------------------|
| Shine Technologies<br>(Illuminated Holdings)<br>Series C-5 Preferred <sup>®</sup> | Medical radioisotope production                                                         | USA         | 9,133          | 0.9                       |
| PureTech Health                                                                   | IP commercialisation focused on healthcare                                              | UK          | 8,631          | 0.9                       |
| Teladoc                                                                           | Telemedicine services provider                                                          | USA         | 7,990          | 0.8                       |
| Zuora                                                                             | Enterprise sales management software                                                    | USA         | 7,569          | 0.8                       |
| Temenos Group                                                                     | Banking software provider                                                               | Switzerland | 7,451          | 0.8                       |
| LendingTree                                                                       | Online consumer finance marketplace                                                     | USA         | 7,414          | 0.8                       |
| LiveRamp                                                                          | Marketing technology company                                                            | USA         | 7,356          | 0.8                       |
| M3                                                                                | Online medical database                                                                 | Japan       | 7,233          | 0.8                       |
| Splunk                                                                            | Data diagnostics                                                                        | USA         | 7,178          | 0.8                       |
| Snyk Series F Preferred <sup>®</sup>                                              | Security software                                                                       | UK          | 4,539          | 0.5                       |
| Snyk Ordinary Shares <sup>®</sup>                                                 | Security software                                                                       | UK          | 2,632          | 0.3                       |
|                                                                                   |                                                                                         |             | 7,171          | 0.8                       |
| Cardlytics                                                                        | Digital advertising platform                                                            | USA         | 7,161          | 0.8                       |
| Avacta Group                                                                      | Affinity based diagnostic reagents and<br>therapeutics                                  | UK          | 6,985          | 0.7                       |
| Graphcore Series D2<br>Preferred <sup>®</sup>                                     | Specialised processor chips for machine<br>learning applications                        | UK          | 5,254          | 0.6                       |
| Graphcore Series E<br>Preferred <sup>®</sup>                                      | Specialised processor chips for machine<br>learning applications                        | UK          | 1,675          | 0.2                       |
|                                                                                   |                                                                                         |             | 6,929          | 0.8                       |
| Lightning Labs Series B<br>Preferred <sup>®</sup>                                 | Lightning software that enables users to<br>send and receive money                      | USA         | 6,905          | 0.7                       |
| JFrog                                                                             | Software development tools and<br>management                                            | Israel      | 6,880          | 0.7                       |
| IPG Photonics                                                                     | High-power fibre lasers                                                                 | USA         | 6,798          | 0.7                       |
| Progyny                                                                           | Fertility benefits management company                                                   | USA         | 6,680          | 0.7                       |
| Ambarella                                                                         | Video compression and image processing<br>semiconductors                                | USA         | 6,379          | 0.7                       |
| DNA Script Series C<br>Preferred <sup>®</sup>                                     | Synthetic DNA fabricator                                                                | France      | 6,358          | 0.7                       |
| Schrödinger                                                                       | Drug discovery and simulation software                                                  | USA         | 6,320          | 0.7                       |
| Galapagos                                                                         | Clinical stage biotechnology company<br>focusing on autoimmune and fibrosis<br>diseases | Belgium     | 6,311          | 0.7                       |
| InfoMart                                                                          | Online platform for restaurant supplies                                                 | Japan       | 6,259          | 0.7                       |
| Renishaw                                                                          | Measurement and calibration equipment                                                   | UK          | 5,978          | 0.6                       |
| Adaptimmune<br>Therapeutics ADR                                                   | Cell therapies for cancer treatment                                                     | UK          | 5,883          | 0.6                       |

| Name                                    | Business                                                                     | Country     | Value<br>£'000 | % of<br>total<br>assets * |
|-----------------------------------------|------------------------------------------------------------------------------|-------------|----------------|---------------------------|
| Genus                                   | Livestock breeding and technology services                                   | UK          | 5,843          | 0.6                       |
| Reaction Engines®                       | Advanced heat exchange company                                               | UK          | 5,750          | 0.6                       |
| AbCellera Biologics                     | Antibody design and development company                                      | Canada      | 5,621          | 0.6                       |
| Sensirion Holding                       | Manufacturer of gas and flow sensors                                         | Switzerland | 5,447          | 0.6                       |
| Wayfair                                 | Online furniture and homeware retailer                                       | USA         | 5,329          | 0.6                       |
| SEEK                                    | Online recruitment portal                                                    | Australia   | 5,230          | 0.6                       |
| Oxford Instruments                      | Advanced instrumentation and equipment<br>provider                           | UK          | 5,200          | 0.5                       |
| iRobot                                  | Consumer robotics and connected devices                                      | USA         | 5,177          | 0.5                       |
| Everbridge                              | Critical event management software provider                                  | USA         | 5,096          | 0.5                       |
| Q2 Holdings                             | Cloud based virtual banking solutions provider                               | USA         | 5,032          | 0.5                       |
| Ilika                                   | Discovery and development of novel materials<br>for mass market applications | UK          | 4,869          | 0.5                       |
| IP Group                                | Intellectual property commercialisation                                      | UK          | 4,565          | 0.5                       |
| LivePerson                              | Messaging tools for business and customer<br>interactions                    | USA         | 4,466          | 0.5                       |
| BillionToOne Series C<br>Preferred®     | Pre-natal diagnostics                                                        | USA         | 4,289          | 0.5                       |
| Expensify                               | Expense management software                                                  | USA         | 4,288          | 0.5                       |
| Rightmove                               | UK online property portal                                                    | UK          | 4,266          | 0.5                       |
| KSQ Therapeutics Series<br>C Preferred® | Biotechnology target identification company                                  | USA         | 4,194          | 0.4                       |
| Quanterix                               | Ultra-sensitive protein analysers                                            | USA         | 3,708          | 0.4                       |
| Sutro Biopharma                         | Biotechnology company focused on next<br>generation protein therapeutics     | USA         | 3,594          | 0.4                       |
| American Superconductor                 | Designs and manufactures power systems<br>and superconducting wire           | USA         | 3,260          | 0.3                       |
| Digimarc                                | Digital watermarking technology provider                                     | USA         | 3,188          | 0.3                       |
| freee K.K.                              | Cloud based accounting software for small<br>and medium-sized enterprises    | Japan       | 3,061          | 0.3                       |
| C4X Discovery Holdings                  | Rational drug design and optimisation                                        | UK          | 2,446          | 0.3                       |
| C4X Discovery Warrants                  | Software to aid drug design                                                  | UK          | 236            | <0.1                      |
|                                         |                                                                              |             | 2,682          | 0.3                       |
| EverQuote                               | Online marketplace for buying insurance                                      | USA         | 2,556          | 0.3                       |
| PeptiDream                              | Peptide based drug discovery platform                                        | Japan       | 2,477          | 0.3                       |
| CEVA                                    | Licenses IP to the semiconductor industry                                    | USA         | 2,381          | 0.3                       |
| Victrex                                 | High-performance thermo-plastics                                             | UK          | 2,324          | 0.2                       |
| Nanobiotix ADR                          | Nanomedicine company focused on<br>cancer radiotherapy                       | France      | 2,318          | 0.2                       |

## List of Investments as at 30 April 2022 (unaudited)

| Name                             | Business                                                                  | Country   | Value<br>£'000 | % of<br>total<br>assets * |
|----------------------------------|---------------------------------------------------------------------------|-----------|----------------|---------------------------|
| Stratasys                        | 3D printer manufacturer                                                   | USA       | 2,233          | 0.2                       |
| Huya ADR                         | A live game streaming platform                                            | China     | 2,043          | 0.2                       |
| Benefitfocus                     | Employee benefits software provider                                       | USA       | 1,920          | 0.2                       |
| Baozun SPN ADR                   | Chinese e-commerce solution provider                                      | China     | 1,790          | 0.2                       |
| Morphosys                        | Antibody based drug discovery platform                                    | Germany   | 1,703          | 0.2                       |
| Cosmo Pharmaceuticals            | Therapies for gastrointestinal diseases                                   | Italy     | 1,512          | 0.2                       |
| Agora ADR                        | Voice and video platform technology provider                              | China     | 1,501          | 0.2                       |
| BASE                             | Commerce platform for small and<br>medium-sized enterprises               | Japan     | 1,457          | 0.2                       |
| ASOS                             | Online fashion retailer                                                   | UK        | 1,421          | 0.2                       |
| Chinook Therapeutics             | Immunotherapy drug development                                            | USA       | 1,410          | 0.1                       |
| Chinook Therapeutics<br>CVR Line | Immunotherapy drug development                                            | USA       | 0              | 0.0                       |
|                                  |                                                                           |           | 1,410          | 0.1                       |
| New Horizon Health               | Cancer screening company                                                  | China     | 1,214          | 0.1                       |
| Catapult Group<br>International  | Analytics and data collection technology<br>for sports teams and athletes | Australia | 1,196          | 0.1                       |
| Spire Global                     | Satellite powered data collection and<br>analysis company                 | USA       | 1,131          | 0.1                       |
| Adicet Bio                       | Biotechnology company focused on<br>age related disorders                 | USA       | 1,036          | 0.1                       |
| Berkeley Lights                  | Biotechnology tools focused on cell<br>characterisation                   | USA       | 977            | 0.1                       |
| 4D Pharma                        | Microbiome biology therapeutics                                           | UK        | 706            | 0.1                       |
| 4D Pharma Warrants               | Microbiome biology therapeutics                                           | UK        | 0              | 0.0                       |
|                                  |                                                                           |           | 706            | 0.1                       |
| Collectis                        | Genetic engineering for cell based therapies                              | France    | 693            | 0.1                       |
| NuCana SPN ADR                   | Next generation chemotherapy developer                                    | UK        | 691            | 0.1                       |
| Tabula Rasa HealthCare           | Cloud-based healthcare software developer                                 | USA       | 638            | 0.1                       |
| Ricardo                          | Engineering services provider                                             | UK        | 450            | <0.1                      |
| Summit Therapeutics              | Developer of novel antibiotics                                            | USA       | 270            | <0.1                      |
| Unity Biotechnology              | Biotechnology company seeking to develop<br>anti ageing therapies         | USA       | 247            | <0.1                      |

| Name                           | Business                                                         | Country | Value<br>£'000 | % of<br>total<br>assets * |
|--------------------------------|------------------------------------------------------------------|---------|----------------|---------------------------|
| Rubius Therapeutics            | Developer of novel therapies using engineered red blood cells    | USA     | 202            | <0.1                      |
| Angelalign Technology          | Medical devices manufacturer                                     | China   | 100            | <0.1                      |
| Tissue Regenix                 | Regenerative medicine technology provider                        | UK      | 83             | <0.1                      |
| Xeros Technology Group         | Polymer technology company with laundry and textile applications | UK      | 19             | <0.1                      |
| Velocys                        | Gas to liquid technology                                         | UK      | 10             | <0.1                      |
| China Lumena<br>New Materials® | Mines, processes and manufactures natural thenardite products    | China   | 0              | 0.0                       |
| <b>Total investments</b>       |                                                                  |         | <b>942,544</b> | <b>99.5</b>               |
| <b>Net liquid assets</b>       |                                                                  |         | <b>4,642</b>   | <b>0.5</b>                |
| <b>Total assets</b>            |                                                                  |         | <b>947,186</b> | <b>100.0</b>              |

\* Total assets before deduction of loans.

① Denotes unlisted security.

② Denotes security where majority of holding was previously held in the portfolio as an unlisted security.

③ Denotes suspended security.

|                      | Listed<br>equities<br>% | Unlisted<br>securities #<br>% | Net liquid<br>assets<br>% | Total<br>assets<br>% |
|----------------------|-------------------------|-------------------------------|---------------------------|----------------------|
| <b>30 April 2022</b> | <b>80.2</b>             | <b>19.3</b>                   | <b>0.5</b>                | <b>100.0</b>         |
| 31 October 2021      | 87.0                    | 10.8                          | 2.2                       | 100.0                |

Figures represent percentage of total assets.

#Includes holdings in ordinary shares and preference shares.

## Income Statement (unaudited)

|                                                     | For the six months ended 30 April 2022 |                  |                  | For the six months ended 30 April 2021 |                  |                | For the year ended 31 October 2021 (audited) |                  |                |
|-----------------------------------------------------|----------------------------------------|------------------|------------------|----------------------------------------|------------------|----------------|----------------------------------------------|------------------|----------------|
|                                                     | Revenue<br>£'000                       | Capital<br>£'000 | Total<br>£'000   | Revenue<br>£'000                       | Capital<br>£'000 | Total<br>£'000 | Revenue<br>£'000                             | Capital<br>£'000 | Total<br>£'000 |
| Gains on sales of investments                       | –                                      | 42,613           | <b>42,613</b>    | –                                      | 42,775           | <b>42,775</b>  | –                                            | 63,344           | <b>63,344</b>  |
| Movements in investment holding gains               | –                                      | (494,803)        | <b>(494,803)</b> | –                                      | 204,206          | <b>204,206</b> | –                                            | 114,979          | <b>114,979</b> |
| Currency losses                                     | –                                      | (2,230)          | <b>(2,230)</b>   | –                                      | (1,612)          | <b>(1,612)</b> | –                                            | (1,631)          | <b>(1,631)</b> |
| Income from investments and interest receivable     | 490                                    | –                | <b>490</b>       | 386                                    | –                | <b>386</b>     | 827                                          | –                | <b>827</b>     |
| Investment management fee (note 3)                  | (685)                                  | (2,054)          | <b>(2,739)</b>   | (999)                                  | (2,996)          | <b>(3,995)</b> | (1,952)                                      | (5,857)          | <b>(7,809)</b> |
| Other administrative expenses                       | (521)                                  | –                | <b>(521)</b>     | (435)                                  | –                | <b>(435)</b>   | (907)                                        | –                | <b>(907)</b>   |
| <b>Net return before finance costs and taxation</b> | <b>(716)</b>                           | <b>(456,474)</b> | <b>(457,190)</b> | <b>(1,048)</b>                         | <b>242,373</b>   | <b>241,325</b> | <b>(2,032)</b>                               | <b>170,835</b>   | <b>168,803</b> |
| Finance costs of borrowings                         | (221)                                  | (662)            | <b>(883)</b>     | (109)                                  | (327)            | <b>(436)</b>   | (340)                                        | (1,019)          | <b>(1,359)</b> |
| <b>Net return before taxation</b>                   | <b>(937)</b>                           | <b>(457,136)</b> | <b>(458,073)</b> | <b>(1,157)</b>                         | <b>242,046</b>   | <b>240,889</b> | <b>(2,372)</b>                               | <b>169,816</b>   | <b>167,444</b> |
| Tax                                                 | (23)                                   | –                | <b>(23)</b>      | (24)                                   | –                | <b>(24)</b>    | (50)                                         | –                | <b>(50)</b>    |
| <b>Net return after taxation</b>                    | <b>(960)</b>                           | <b>(457,136)</b> | <b>(458,096)</b> | <b>(1,181)</b>                         | <b>242,046</b>   | <b>240,865</b> | <b>(2,422)</b>                               | <b>169,816</b>   | <b>167,394</b> |
| <b>Net return per ordinary share</b> (note 4)       | <b>(0.23p)</b>                         | <b>(112.80p)</b> | <b>(113.03p)</b> | <b>(0.31p)</b>                         | <b>63.87p</b>    | <b>63.56p</b>  | <b>(0.62p)</b>                               | <b>43.37p</b>    | <b>42.75p</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 this Statement 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)

|                                                                | At 30 April<br>2022<br>£'000 | At 31 October<br>2021<br>(audited)<br>£'000 |
|----------------------------------------------------------------|------------------------------|---------------------------------------------|
| <b>Fixed assets</b>                                            |                              |                                             |
| Investments held at fair value through profit or loss (note 6) | 942,544                      | 1,376,365                                   |
| <b>Current assets</b>                                          |                              |                                             |
| Debtors                                                        | 332                          | 322                                         |
| Cash and cash equivalents                                      | 6,734                        | 33,127                                      |
|                                                                | 7,066                        | 33,449                                      |
| <b>Creditors</b>                                               |                              |                                             |
| Amounts falling due within one year (note 7)                   | (72,108)                     | (68,459)                                    |
| <b>Net current liabilities</b>                                 | (65,042)                     | (35,010)                                    |
| <b>Net assets</b>                                              | <b>877,502</b>               | <b>1,341,355</b>                            |
| <b>Capital and reserves</b>                                    |                              |                                             |
| Share capital                                                  | 4,058                        | 4,052                                       |
| Share premium account                                          | 499,723                      | 497,999                                     |
| Special reserve                                                | 35,220                       | 35,220                                      |
| Capital reserve                                                | 343,574                      | 808,197                                     |
| Revenue reserve                                                | (5,073)                      | (4,113)                                     |
| <b>Shareholders' funds</b>                                     | <b>877,502</b>               | <b>1,341,355</b>                            |
| <b>Net asset value per ordinary share</b>                      | <b>218.16p</b>               | <b>331.03p</b>                              |
| <b>Ordinary shares in issue</b> (note 8)                       | <b>402,228,000</b>           | <b>405,203,695</b>                          |

## Statement of Changes in Equity (unaudited)

### For the six months ended 30 April 2022

|                                                  | Share capital<br>£'000 | Share premium account<br>£'000 | Special reserve<br>£'000 | Capital reserve *<br>£'000 | Revenue reserve<br>£'000 | Shareholders' funds<br>£'000 |
|--------------------------------------------------|------------------------|--------------------------------|--------------------------|----------------------------|--------------------------|------------------------------|
| Shareholders' funds at 1 November 2021           | 4,052                  | 497,999                        | 35,220                   | 808,197                    | (4,113)                  | <b>1,341,355</b>             |
| Ordinary shares issued/(bought back)<br>(note 8) | 6                      | 1,724                          | –                        | (7,487)                    | –                        | <b>(5,757)</b>               |
| Net return after taxation                        | –                      | –                              | –                        | (457,136)                  | (960)                    | <b>(458,096)</b>             |
| <b>Shareholders' funds at 30 April 2022</b>      | <b>4,058</b>           | <b>499,723</b>                 | <b>35,220</b>            | <b>343,574</b>             | <b>(5,073)</b>           | <b>877,502</b>               |

### For the six months ended 30 April 2021

|                                             | Share capital<br>£'000 | Share premium account<br>£'000 | Special reserve<br>£'000 | Capital reserve *<br>£'000 | Revenue reserve<br>£'000 | Shareholders' funds<br>£'000 |
|---------------------------------------------|------------------------|--------------------------------|--------------------------|----------------------------|--------------------------|------------------------------|
| Shareholders' funds at 1 November 2020      | 3,543                  | 316,281                        | 35,220                   | 638,381                    | (1,691)                  | <b>991,734</b>               |
| Ordinary shares issued                      | 441                    | 159,343                        | –                        | –                          | –                        | <b>159,784</b>               |
| Net return after taxation                   | –                      | –                              | –                        | 242,046                    | (1,181)                  | <b>240,865</b>               |
| <b>Shareholders' funds at 30 April 2021</b> | <b>3,984</b>           | <b>475,624</b>                 | <b>35,220</b>            | <b>880,427</b>             | <b>(2,872)</b>           | <b>1,392,383</b>             |

\* The Capital Reserve as at 30 April 2022 includes investment holding gains of £96,393,000 (30 April 2021 – gains of £680,424,000).



## Condensed Cash Flow Statement (unaudited)

|                                                            | Six months to<br>30 April<br>2022<br>£'000 | Six months to<br>30 April<br>2021<br>£'000 |
|------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>Cash flows from operating activities</b>                |                                            |                                            |
| Net return before taxation                                 | (458,073)                                  | 240,889                                    |
| Net losses/(gains) on investments                          | 452,190                                    | (246,981)                                  |
| Currency losses                                            | 2,230                                      | 1,612                                      |
| Finance costs of borrowings                                | 883                                        | 436                                        |
| Overseas withholding tax incurred                          | (20)                                       | (23)                                       |
| Changes in debtors and creditors                           | (589)                                      | 574                                        |
| <b>Cash from operations*</b>                               | (3,379)                                    | (3,493)                                    |
| Interest paid                                              | (827)                                      | (507)                                      |
| <b>Net cash outflow from operating activities</b>          | (4,206)                                    | (4,000)                                    |
| <b>Net cash outflow from investing activities</b>          | (18,380)                                   | (115,462)                                  |
| <b>Financing</b>                                           |                                            |                                            |
| Ordinary shares (bought back)/issued                       | (5,108)                                    | 158,850                                    |
| Bank loans drawn down                                      | 135,346                                    | 141,177                                    |
| Bank loans repaid                                          | (135,346)                                  | (141,177)                                  |
| <b>Net cash (outflow)/inflow from financing activities</b> | (5,108)                                    | 158,850                                    |
| <b>(Decrease)/increase in cash and cash equivalents</b>    | (27,694)                                   | 39,388                                     |
| Exchange movements                                         | 1,301                                      | (3,598)                                    |
| Cash and cash equivalents at start of period               | 33,127                                     | 40,894                                     |
| <b>Cash and cash equivalents at end of period†</b>         | <b>6,734</b>                               | <b>76,684</b>                              |

\* Cash from operations includes dividends received in the period of £503,000 (30 April 2021 – £324,000).

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

# Notes to the Condensed Financial Statements (unaudited)

## 1 Basis of Accounting

The condensed Financial Statements for the six months to 30 April 2022 comprise the statements set out on pages 18 to 22 together with the related notes on pages 23 to 26. They have been prepared in accordance with FRS 104 'Interim Financial Reporting' and the AIC's Statement of Recommended Practice issued in November 2014 and updated in April 2021 with consequential amendments and 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 2022 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 2021.

### 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 market volatility during the Covid-19 pandemic, the hostilities in Ukraine and current economic conditions. 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 2021 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, did not include a reference to any matters to which the Auditor drew attention by way of emphasis without qualifying the report, and 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.

## Notes to the Condensed Financial Statements (unaudited)

|                                                            | Six months<br>to 30 April<br>2022<br>£'000 | Six months<br>to 30 April<br>2021<br>£'000 | Year to<br>31 October<br>2021<br>(audited)<br>£'000 |
|------------------------------------------------------------|--------------------------------------------|--------------------------------------------|-----------------------------------------------------|
| <b>4 Net return per ordinary share</b>                     |                                            |                                            |                                                     |
| Revenue return after taxation                              | (960)                                      | (1,181)                                    | (2,422)                                             |
| Capital return after taxation                              | (457,136)                                  | 242,046                                    | 169,816                                             |
| <b>Total net return</b>                                    | <b>(458,096)</b>                           | <b>240,865</b>                             | <b>167,394</b>                                      |
| <b>Weighted average number of ordinary shares in issue</b> | <b>405,267,892</b>                         | <b>378,943,832</b>                         | <b>391,579,802</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) during each period.

There are no dilutive or potentially dilutive shares in issue.

### 5 Dividend

No interim dividend has been declared.

### 6 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

| As at 30 April 2022                      | Level 1<br>£'000 | Level 2<br>£'000 | Level 3<br>£'000 | Total<br>£'000 |
|------------------------------------------|------------------|------------------|------------------|----------------|
| Listed equities                          | 759,300          | –                | –                | 759,300        |
| Unlisted ordinary shares                 | –                | –                | 21,043           | 21,043         |
| Unlisted preference shares*              | –                | –                | 162,201          | 162,201        |
| <b>Total financial asset investments</b> | <b>759,300</b>   | <b>–</b>         | <b>183,244</b>   | <b>942,544</b> |

## 6 Fair Value Hierarchy (continued)

| As at 31 October 2021 (audited)          | Level 1<br>£'000 | Level 2<br>£'000 | Level 3<br>£'000 | Total<br>£'000   |
|------------------------------------------|------------------|------------------|------------------|------------------|
| Listed equities                          | 1,224,768        | –                | –                | <b>1,224,768</b> |
| Unlisted ordinary shares                 | –                | –                | 18,235           | <b>18,235</b>    |
| Unlisted preference shares*              | –                | –                | 133,362          | <b>133,362</b>   |
| <b>Total financial asset investments</b> | <b>1,224,768</b> | <b>–</b>         | <b>151,597</b>   | <b>1,376,365</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 other than Rocketboots (previously Ensogo) which listed on 7 December 2021, but was subsequently sold. 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.

## 7 Bank Loans

At 30 April 2022 creditors falling due within one year include borrowings of £69,684,000 (31 October 2021 – £66,153,000) 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 2022 the drawings were €7,200,000, US\$53,150,000 and £21,300,000 (31 October 2021 – €7,200,000, US\$53,150,000 and £21,300,000) drawn under the £100 million multi-currency revolving credit facility.

At 30 April 2022 there were no drawings under the £25 million or £36 million multi-currency revolving credit facilities with National Australia Bank Limited with expiry dates of 29 June 2023 and 30 September 2024 respectively (31 October 2021 – nil).

The fair value of the bank loans at 30 April 2022 was £69,684,000 (31 October 2021 – £66,153,000).

# Notes to the Condensed Financial Statements (unaudited)

## 8 Share Capital

The Company has authority to allot shares under section 551 of the Companies Act 2006. The Board has authorised use of this authority to issue new shares at a premium to net asset value in order to enhance the net asset value per share for existing shareholders and improve the liquidity of the Company's shares. In the six months to 30 April 2022 the Company issued a total of 550,000 shares on a non pre-emptive basis (nominal value £6,000, representing 0.1% of the issued share capital at 31 October 2021) at a premium to net asset value (on the basis of debt valued at book value) raising net proceeds of £1,730,000. (In the year to 31 October 2021 – 50,885,000 shares with a nominal value of £509,000, representing 14.4% of the issued share capital at 31 October 2020 raising net proceeds of £182,227,000).

Over the period from 30 April 2022 to 31 May 2022 the Company has issued no further shares.

The Company also has authority to buy back shares. In the six months to 30 April 2022, 3,525,695 shares with a nominal value of £35,000 were bought back at a total cost of £7,487,000 and held in treasury (2021 – no shares were bought back and no shares were held in treasury). At 30 April 2022 the Company had authority to buy back a further 57,259,308 ordinary shares.

Over the period from 30 April 2022 to 31 May 2022 the Company has bought back a further 3,192,854 shares at a total cost of £5,620,000.

## 9 Transaction Costs

During the period the Company incurred transaction costs on purchases of investments of £29,000 (30 April 2021 – £58,000; 31 October 2021 – £129,000) and transaction costs on sales of £4,000 (30 April 2021 – £20,000; 31 October 2021 – £32,000).

## 10 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.

# Sustainable Finance Disclosure Regulation ('SFDR')

## Sustainable Finance Disclosure Regulation ('SFDR')

The EU Sustainable Finance Disclosure Regulation ('SFDR') does not have a direct impact in the UK due to Brexit, however, it applies to third-country products marketed in the EU. As Edinburgh Worldwide Investment Trust plc is marketed in the EU by the AIFM, Baillie Gifford & Co Limited, via the National Private Placement Regime ('NPPR') the following disclosures have been provided to comply with the high-level requirements of SFDR.

The AIFM has adopted Baillie Gifford & Co's Governance and Sustainable Principles and Guidelines as its policy on integration of sustainability risks in investment decisions.

Baillie Gifford & Co's approach to investment is based on identifying and holding high quality growth businesses that enjoy sustainable competitive advantages in their marketplace. To do this it looks beyond current financial performance, undertaking proprietary research to build up an in-depth knowledge of an individual company and a view on its long-term prospects. This includes the consideration of sustainability factors (environmental, social and/or governance matters) which it believes will positively or negatively influence the financial returns of an investment.

More detail on the Investment Manager's approach to sustainability can be found in the Governance and Sustainability Principles and Guidelines document, available publicly on the Baillie Gifford website [bailliegifford.com/literature-library/corporate-governance/our-stewardship-approach-esg-principles-and-guidelines-2022/](https://www.bailliegifford.com/literature-library/corporate-governance/our-stewardship-approach-esg-principles-and-guidelines-2022/).

## Taxonomy Regulation

The Taxonomy Regulation establishes an EU-wide framework or criteria for environmentally sustainable economic activities in respect of six environmental objectives. It builds on the disclosure requirements under SFDR by introducing additional disclosure obligations in respect of AIFs that invest in an economic activity that contributes to an environmental objective.

The Company does not commit to make sustainable investments as defined under SFDR. As such, the underlying investments do not take into account the EU criteria for environmentally sustainable economic activities.

# 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

The total value of all 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 2022       | 31 October 2021       |
|----------------------------------------------------------------------|---------------------|-----------------------|
| <b>Net Asset Value per ordinary share (borrowings at book value)</b> | <b>218.16p</b>      | <b>331.03p</b>        |
| Shareholders' funds (borrowings at book value)                       | £877,502,000        | £1,341,355,000        |
| Add: book value of borrowings                                        | £69,684,000         | £66,153,000           |
| Less: fair value of borrowings                                       | (£69,684,000)       | (£66,153,000)         |
| <b>Shareholders' funds (borrowings at fair value)</b>                | <b>£877,502,000</b> | <b>£1,341,355,000</b> |
| Number of shares in issue                                            | 402,228,000         | 405,203,695           |
| <b>Net Asset Value per ordinary share (borrowings at fair value)</b> | <b>218.16p</b>      | <b>331.03p</b>        |

### Net Asset Value (Reconciliation of NAV at Book Value to NAV at Fair Value)

At 30 April 2022 and 31 October 2021 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 share price from the net asset value per share and is usually expressed as a percentage of the net asset value per share. If the share price is higher than the net asset value per share, this situation is called a premium.

|                                 |     | 30 April 2022 | 31 October 2021 |
|---------------------------------|-----|---------------|-----------------|
| Net Asset Value per share       | (a) | 218.16p       | 331.03p         |
| Share price                     | (b) | 196.60p       | 319.50p         |
| <b>Discount ((b)-(a)) ÷ (a)</b> |     | <b>(9.9%)</b> | <b>(3.5%)</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.

## Ongoing Charges (APM)

The total recurring expenses (excluding the Company's cost of dealing in investments and borrowing costs) incurred by the Company as a percentage of the average net asset value (with debt at fair value). The ongoing charges are calculated on the basis prescribed by the Association of Investment Companies.

## 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.

|                                                     |     | 30 April 2022 | 31 October 2021 |
|-----------------------------------------------------|-----|---------------|-----------------|
| Borrowings (at book value)                          |     | £69,684,000   | £66,153,000     |
| Less: cash and cash equivalents                     |     | (£6,734,000)  | (£33,127,000)   |
| Less: sales for subsequent settlement               |     | (£11,000)     | –               |
| Add: purchases for subsequent settlement            |     | –             | –               |
| Add: buy backs awaiting settlement                  |     | £649,000      | –               |
| Adjusted borrowings                                 | (a) | £63,588,000   | £33,026,000     |
| Shareholders' funds                                 | (b) | £877,502,000  | £1,341,355,000  |
| <b>Invested gearing: (a) as a percentage of (b)</b> |     | <b>7.2%</b>   | <b>2.5%</b>     |



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

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

|                                                      |     | 30 April 2022 | 31 October 2021 |
|------------------------------------------------------|-----|---------------|-----------------|
| Borrowings (at book value)                           | (a) | £69,684,000   | £66,153,000     |
| Shareholders' funds                                  | (b) | £877,502,000  | £1,341,355,000  |
| <b>Potential gearing: (a) as a percentage of (b)</b> |     | <b>7.9%</b>   | <b>4.9%</b>     |

### Leverage (APM)

For the purposes of the Alternative Investment Fund Managers Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its net asset value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

### 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.

### Unlisted Company

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

## Further Shareholder Information

### How to Invest

Edinburgh Worldwide's shares are traded on the London Stock Exchange. They can be bought through a stockbroker or by asking a professional adviser to do so. If you are interested in investing directly in Edinburgh Worldwide you can do so online. There are a number of companies offering real time online dealing services – find out more by visiting [edinburghworldwide.co.uk](http://edinburghworldwide.co.uk).

### Client Relations Team Contact Details

You can contact the Baillie Gifford Client Relations Team by telephone (your call may be recorded for training or monitoring purposes), email or post. See contact details in the 'Further Information' box on the back cover.

### Share Register Enquiries

Computershare Investor Services PLC maintains the share register on behalf of the Company. In the event of queries regarding shares registered in your own name, please contact the Registrars on 0370 707 1643.

### Automatic Exchange of Information

In order to fulfil its obligations under UK tax legislation relating to the automatic exchange of information, Edinburgh Worldwide Investment Trust plc is required to collect and report certain information about certain shareholders.

The legislation requires investment trust companies to provide personal information to HMRC on certain investors who purchase shares in investment trusts. Accordingly, Edinburgh Worldwide Investment Trust plc must provide information annually to the local tax authority on the tax residencies of a number of non-UK based certificated shareholders and corporate entities.

New shareholders, excluding those whose shares are held in CREST, who come on to the share register will be sent a certification form for the purposes of collecting this information.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders [gov.uk/government/publications/exchange-of-information-account-holders](http://gov.uk/government/publications/exchange-of-information-account-holders).

### Risk Warnings

Past performance is not a guide to future performance.

Edinburgh Worldwide is a UK listed company. The value of its shares and any income from them can fall as well as rise and you may not get back the amount invested.

Edinburgh Worldwide invests in overseas securities, changes in the rates of exchange may also cause the value of your investment (and any income it may pay) to go down or up.

Edinburgh Worldwide has borrowed money to make further investments (sometimes known as 'gearing' or 'leverage'). The risk is that when this money is repaid by the Company, the value of the investments may not be enough to cover the borrowing and interest costs, and the Company will make a loss. If the Company's investments fall in value, any invested borrowings will increase the amount of this loss.

Edinburgh Worldwide can buy back its own shares. The risks from borrowing, referred to above, are increased when the Company buys back its own shares.

Market values for securities which have become difficult to trade may not be readily available and there can be no assurance that any value assigned to such securities will accurately reflect the price the Company might receive upon their sale.

Edinburgh Worldwide has investments in smaller, immature companies which are generally considered higher risk as changes in their share prices may be greater and the shares may be harder to sell. Smaller, immature companies may do less well in periods of unfavourable economic conditions.

Edinburgh Worldwide'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.

Edinburgh Worldwide can make use of derivatives which may impact on its performance.

## Further Shareholder Information

Edinburgh Worldwide charges 75% of the investment management fee and 75% of borrowing costs to capital which reduces the capital value. Also, where income is low, the remaining expenses may be greater than the total income received, meaning the Company may not pay a dividend and the capital value would be further reduced.

The aim of Edinburgh Worldwide is to achieve capital growth. You should not expect a significant, or steady, annual income from the Company.

You should note that tax rates and reliefs may change at any time and their value depends on your circumstances.

Edinburgh Worldwide is a UK public listed company and as such complies with the requirements of the Financial Conduct Authority but is not authorised or regulated by the Financial Conduct Authority.

The information and opinions expressed within this Interim Financial Report are subject to change without notice.

This information has been issued and approved by Baillie Gifford & Co Limited and does not in any way constitute investment advice.

The staff of Baillie Gifford and Edinburgh Worldwide's Directors may hold shares in Edinburgh Worldwide and may buy and sell such shares from time to time.

## Third Party Data Provider Disclaimer

No third party data provider ('Provider') makes any warranty, express or implied, as to the accuracy, completeness or timeliness of the data contained herewith nor as to the results to be obtained by recipients of the data. No Provider shall in any way be liable to any recipient of the data for any inaccuracies, errors or omissions in the index data included in this document, regardless of cause, or for any damages (whether direct or indirect) resulting therefrom.

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## S&P Index Data

The S&P Global Small Cap Index ('Index') is a product of S&P Dow Jones Indices LLC, a division of S&P Global, or its affiliates ('SPDJI'). Standard & Poor's® and S&P® are registered trademarks of Standard & Poor's Financial Services LLC, a division of S&P Global ('S&P'); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ('Dow Jones'). Neither S&P Dow Jones Indices LLC, Dow Jones Trademark Holdings LLC, their affiliates

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## Directors

Chairman:  
HCT Strutt

DAJ Cameron  
H James  
CA Roxburgh  
JA Simpson-Dent  
MIG Wilson

## Alternative Investment Fund Manager, Secretaries and Registered Office

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## Registrar

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The Pavilions  
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Bristol BS99 6ZZ  
Tel: 0370 707 1643

## Depository

The Bank of New York Mellon  
(International) Limited  
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London  
E14 5AL

## Company Broker

Numis Securities Limited  
The London Stock  
Exchange Building  
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London  
EC4M 7LT

## Independent Auditor

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144 Morrison Street  
Edinburgh  
EH3 8EX

## Company Details

edinburghworldwide.co.uk  
Company Registration  
No. SC184775  
ISIN GB00BHSRZC82  
Sedol BHSRZC8  
Ticker EWI

Legal Entity Identifier:  
213800JUA8RKIDDLH380

## Further Information

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