

Annual Report and
Financial Statements

31 January 2025

The Schiehallion Fund Limited

Managed by

Baillie Gifford™

Investor disclosure document

The UK Alternative Investment Fund Managers Regulations require certain information to be made available to investors prior to their investment in the Company. The Company's Investor Disclosure Document is available for viewing at [**schiehallionfund.com**](https://www.schiehallionfund.com)

Notes

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

This document is important and requires your immediate attention.

If you reside in the United Kingdom and are in any doubt as to the action you should take you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 immediately. If you reside outside the United Kingdom you should consult an appropriately authorised financial adviser.

If you have sold or otherwise transferred all of your ordinary shares in The Schiehallion Fund Limited, please forward this document, together with any accompanying documents, but not your personalised Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was or is being effected for delivery to the purchaser or transferee.

Baillie Gifford™

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Financial highlights

Year to 31 January 2025

Ordinary share price return*

51.0%

NAV return*

12.9%

* Source: LSEG/Baillie Gifford. See disclaimer on page 113. All figures are stated on a total return basis. Total return is an Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 115 and 116.

All investment strategies have the potential for profit or loss.

Past performance is not a guide to future performance.



An overview of The Schiehallion Fund Limited

The Schiehallion Fund Limited seeks to generate capital growth for investors through making long-term minority investments in later stage private businesses that the Company considers to have transformational growth potential and to have the potential to become publicly traded.

Our philosophy:

Long-term

We have a very long-term view, which leads us to invest in companies, sometimes years before they go public, and sometimes years after. We understand that building a great company is a journey, not something that happens overnight or changes at Initial Public Offering ('IPO'). We are simply trying to invest in companies for the longest and steepest part of their growth curves.

Growth

Innovation drives growth. Some of the world's most innovative and disruptive companies are in the private markets. We believe that over the long-run, the size or pace of change that innovations in production, process and technology can bring is misunderstood, over-estimating it in the short-run and under-estimating in the long-run. We aim to invest in companies that are at an inflection point – scaling into true growth businesses.

Companies, not countries or themes

We invest in high-growth private companies, globally, and across sectors. Our emphasis on finding exceptional companies naturally leads us away from macroeconomics or thematic investing, towards bottom-up analysis. We believe we are able to excel at doing this because we have a differentiated analytical approach, access to the best companies in our universe, and a unique strategy for adding value to our companies.

Investment Manager

The Company has appointed Baillie Gifford & Co Limited as the Investment Manager ('Investment Manager' or 'Baillie Gifford').

Strategic report

**The Strategic report includes
pages 06 to 49 and incorporates
the Chairperson's statement and
the Investment Manager's review.**

Chairperson's statement



Dr Linda Yueh CBE

Chairperson since inception in 2019

The Schiehallion Fund Limited (the 'Company' or 'Schiehallion') seeks to generate capital growth for investors through long-term minority investments in later stage private businesses that the Company considers to have transformational growth potential and to have the potential to become publicly traded.

Investment performance

During the financial year to 31 January 2025, the Company's ordinary share net asset value ('NAV') returned 12.9% and share price returned 51.0%. The share price discount to NAV narrowed from 39.6% to 19.2%. Further commentary on performance is included in the Investment Manager's report on page 09.

Over the period from 27 March 2019 (launch date) to 31 January 2025, the Company's ordinary share NAV returned 34.1% and price returned 8.0%.

Capital allocation

In November 2023, the Board announced a capital allocation update, noting that:

- its priority is to ensure that the Company has sufficient capital to deliver on its objectives, including supporting existing investments and satisfying the Company's ongoing working capital requirements;
- it believed that the ordinary shares represented an attractive investment opportunity at a deep discount to NAV;
- the Company intended to allocate up to US\$20 million towards share repurchases given the limited available capital at the current time; and
- it would keep this capital allocation and associated share buyback policy under review.

Following this announcement, over the year to 31 January 2025, the Company bought back 5.2 million shares at a cost of approximately \$4.2 million. Since the year end, the Company has bought back an additional 2.75 million shares. In aggregate, the Company has bought back 10.5 million shares, for consideration of \$9.1 million, since November 2023.

The Company will be seeking authority to renew the buyback authority for the ordinary shares at the forthcoming Annual General Meeting ('AGM'). This authority will expire at the conclusion of the AGM in 2026.

Costs and charges

The ongoing charges for the ordinary shares as at 31 January 2025 were 0.92% (2024 – 0.85%).

The Company has a tiered management fee, which means that the benefits of scale are shared with investors. In addition, no management fee is charged on cash. The Managers absorb the valuation costs and legal costs associated with making private company investments.

Earnings and dividend

The Company's priority is to generate capital growth over the long-term. The Company therefore has no dividend target and will not seek to provide shareholders with a particular level of distribution. This period the net revenue return per ordinary share was negative 0.39 cents (year to 31 January 2024, negative 0.12 cents). The Board is recommending that no final dividend be paid.

Board

Members of the Board come from a broad variety of backgrounds and the Board can draw on a very extensive pool of knowledge and experience. Directors' biographies can be found on pages 51 and 52.

All the Directors are subject to annual re-election at the AGM in May.

Annual General Meeting

The AGM will be held at 11.15am GMT on Thursday 22 May 2025 at the offices of Alter Domus (Guernsey) Limited, North Suite First Floor, Regency Court, Glatigny Esplanade, GY1 1WW. Shareholders are reminded that they are able to submit proxy voting forms before the applicable deadline on Tuesday 20 May 2025 and also to direct any questions for the Board or Managers in advance by email to adgg-aafa-f@alterdomus.com or call Alter Domus (Guernsey) Limited on +44 (0) 1481 742 250.

The Board is seeking approval for amendments to the Company's Articles of Incorporation. Resolution 10 of the Notice of Annual General Meeting, which will be proposed as a special resolution, seeks shareholder approval for the adoption of new Articles of Incorporation (the 'New Articles'). As permitted by section 153(2) of The Companies (Guernsey) Law, 2008, the Board is proposing to amend article 122(5) of the existing Articles of Incorporation so as to allow the directors (acting in their entire discretion) to determine the location of board meetings rather than, as is currently the case, the location of the meeting being deemed to take place from where the Chairperson participates at the start of the meeting.

Information on the resolutions can be found on pages 57 and 58. The Directors consider that all resolutions to be put to shareholders are in their and the Company's best interests as a whole and recommend that shareholders vote in their favour.

Investment outlook

This past year has been another year of geo-political tensions and uncertainties in the global economy. The decline in inflation and thus interest rates and the cost of capital have, however, supported markets and helped companies plan for growth.

Despite ongoing geo-economic uncertainties, the Board and the Investment Manager are optimistic about the outlook for the Company with its focus on the long-term and investing in companies which have exceptional growth potential. The Company invests in companies which are not widely accessible in public markets. The Board is also positive about the pipeline of private companies that the Investment Manager has access to. The Board and the Investment Manager are confident in the investment outlook for the Company.

As the Company enters into its sixth year since its initial public offering ('IPO'), the Board continually reviews its trading segment and domicile in order to ensure that both remain appropriate to deliver shareholder value. After carefully reviewing the Company's global portfolio, including having taken initial professional tax advice, the Board intends to seek further legal and tax advice on potentially becoming UK tax resident and joining the UK's investment trust regime. The Board will provide further updates to shareholders in due course, including seeking any necessary approvals.

Dr Linda Yueh CBE
Chairperson
25 March 2025

Investment Manager's review

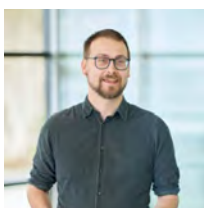


Peter Singlehurst
Portfolio Manager

Reflections

When reflecting on global developments during the twelve months to 31 January 2025, a potentially instructive historical comparison could well be the year 1968. This was a year marked by a major political realignment in the United States, where the Democratic Party – facing internal divisions exacerbated by the Vietnam War and civil rights issues – ceded power to the Republicans under Richard Nixon. This would turn out to be a key shift in the political landscape of the United States and arguably marked the rise of modern conservatism. On the geopolitical front the Vietnam War was proving increasingly fractious, and represented the most active theatre of the wider Cold War which saw two superpowers vie for global ideological, technological and military dominance. Notably the technological dimension of this conflict extended into space, and the year 1968 saw significant developments in this area as well, with the United States achieving a major milestone by sending the first crewed mission, Apollo 8, to orbit the moon. This achievement was a significant step in efforts to surpass the Soviet Union in space exploration.

Back on Earth developments were well underway in 1968 for the launch of the Advanced Research Projects Agency Network ('ARPANET') the following year. This was a pioneering computer network project initiated by the United States Department of Defence in the late 1960s and laid the groundwork for the modern internet, introducing key technologies and concepts still in use today. Tangentially related to this was the founding – also in 1968 – of Intel by Robert Noyce and Gordon Moore. Intel would go on to become a cornerstone of the semiconductor industry and this development would prove crucial for the evolution of computing technology more broadly.



Robert Natzler
Deputy Manager

So, when trying to summarise notable historical developments in 1968, we have a year which saw a major political realignment in the United States, active military conflicts around the globe, a tense Cold War between superpowers, important strides in mankind's relationship with space, and technological advancements in computing that would ultimately shape the globe in ways that were hard to fully fathom at the time. We would posit that such a description can just as easily be applied to 2024. This has been a year in which we have witnessed a drastic and sudden realignment of American politics with the arrival of Donald Trump's second term in office. We have seen the continuation of military conflicts in the Ukraine and the Middle East, coupled with elevated tensions between the United States and China in what can broadly be characterised as a potentially new Cold War. Meanwhile, in the skies above us, portfolio holding SpaceX has continued to redefine what might be possible in space; and closer to home, continued developments in computing and artificial intelligence are shaping the world in ways that are difficult to quantify accurately.

But what are we to make of these historical parallels beyond the well-trodden observation that while history does not necessarily repeat itself, it often rhymes? We would argue that at times of significant turbulence and uncertainty, it is natural – and sometimes necessary from a societal point of view – to be more focused on shorter-term concerns. However, from an investment perspective, we have the luxury to remain steadfastly focused on the long term, knowing that short-term uncertainty can often mask long-term opportunity. The Schiehallion Fund exists to find precisely such opportunities, and despite the uncertain historical moment that we arguably find ourselves in currently, we are excited about the continued progress being made by the Company's holdings in shaping the world around us, as well as by the range of new opportunities currently being presented to us.

Performance

The twelve months to 31 January 2025 represented a strong period for public markets, particularly within the United States, while private markets saw an increase in acquisitions, exits and overall deal volume compared to the prior year. This improvement in sentiment was largely the result of a moderation of previous headwinds such as elevated interest rates and volatile markets more broadly. The net asset value ('NAV') total return for Schiehallion over the period was +12.9%, while the share price total return was +51.0%. The Company enjoyed a particularly strong final quarter of its financial year, driven in part by a significant valuation uplift in its largest holding, SpaceX, as well as notable share price increases among public holdings, Affirm, Wise and Warby Parker, over this three-month period.

Performance for the full twelve-month period to 31 January 2025 was similarly driven by a combination of valuation increases in private holdings and positive share price movements among selected public holdings. In this regard SpaceX (+86% valuation increase) continues to showcase remarkable operational progress – most strikingly through the mechanised capture of its giant Starship booster rockets in recent months. Other notable private contributors to performance included Italian digital consumer application acquirer, Bending Spoons (+89%), and the Chinese social media giant, ByteDance (+33%). Among the public holdings, the US point-of-sale credit provider, Affirm (+51%), was also a top five contributor to Company performance as it continues to expand its offering, most notably into the United Kingdom.

The largest detractors from NAV performance over the period were German online real estate platform, McMakler, and Swedish electric vehicle battery maker, Northvolt. Both holdings saw their valuations close to fully written down during the period. In the case of McMakler, the company has been facing a challenging German macroeconomic environment which has particularly affected the real estate market. This necessitated a recapitalisation of the business during the second half of the year, with the focus directed towards cost management in the pursuit of profitability. Northvolt has experienced significant operational challenges with regards to scaling manufacturing across its facilities. This, coupled with increased competition from China and a slowdown in electric vehicle demand more broadly, led to the company filing for Chapter 11 bankruptcy in the US during the fourth quarter of 2024. Other detractors to performance included financial solutions provider, Brex (-30% valuation decrease), Australian online pet supply company, Pet Circle (-44%) and German bus and train operator, Flix (-27%).

Portfolio

From an overall perspective, the Company holdings remain well capitalised. More than 80% of the private cohort within the portfolio (by capital weight) has a cash runway of more than two years. The painful but necessary re-set associated with the 2020-2022 capital cycle has seen businesses emerge in a healthier state characterised by more disciplined spending and more efficient operations. We remain confident about the resilience of the existing names within the Company, as well as by their growth prospects going forward.

Aggregate revenue growth (weighted by capital) remains strong across the portfolio, standing at 34%. This figure was 42% for the top ten holdings within the Company specifically. These growth rates are accompanied by a healthy average gross margin profile: 47% for the portfolio as a whole, and 58% for the top ten holdings. Approximately 40% of the portfolio was EBITDA-profitable at the reporting date.

The top five holdings within the Company continue to showcase our ability to find varying types of growth across different geographies. SpaceX remains one of the highest conviction holdings as it pursues an enormous market opportunity by generating large and growing revenues coupled with compelling profitability dynamics. Its truly differentiated product, which straddles both its core launch business and Starlink satellite business, underpins arguably one of the most robust competitive advantages we have ever seen. Towards the end of 2024 the company reached a publicly disclosed valuation of \$350 billion after an employee tender offer, thereby making it the most valuable private company in the world. Having first invested in SpaceX in 2019, it has generated a more than six times return over the course of our holding period.

ByteDance continues to generate significant news flow regarding the potential banning of its short-form video application, TikTok, in the United States. As always, we believe it is important to take a step back and remain focused on the wider picture. Our investment case continues to rest on the scale of ByteDance's domestic opportunity in China, and the company is now generating similar revenues to public market US peer, Meta, but growing faster. Elsewhere we see continued strong operational execution from Italian application acquirer, Bending Spoons, as it proceeds at pace with its core strategy of acquiring digital applications and improving the underlying products, monetisation and growth of these applications. Public financial technology holdings, Wise and Affirm, also continue to improve and expand their respective offerings.

While the IPO market remained muted over the course of 2024, we continue to believe that it is available to the right companies at the right price. One such example during the period was medical diagnostics solution provider, Tempus AI, which listed on the Nasdaq in June. While it is still early in its public market journey, revenues continue to grow at more than 30%, and it has been one of the top contributors within the Company since inception.

While we saw mostly strong operational performance across the Company's holdings during the period, some holdings did, however, face significant challenges. Outside the aforementioned circumstances pertaining to McMakler and Northvolt, another detractor from performance was blockchain technology company, Blockstream, which faced operational challenges that led to a recapitalisation of the business that we opted not to take part in. When reflecting on some of these individual struggles experienced by certain holdings, we are cognisant that the pursuit of high growth opportunities – particularly those within private markets – will at times bring about disappointing outcomes. While it is important to take relevant learnings from each individual instance, it should also be borne in mind that investing in opportunities with genuine asymmetric upside carries inherent uncertainty. We will continue to pursue precisely these opportunities.

It is inarguable that some of the most important global companies now reside within private markets – something which is likely to increasingly be the case in the future. At the reporting date, Schiehallion had holdings in half of the world's ten largest private companies, namely, SpaceX, ByteDance, Stripe, Databricks and Chime. The Company therefore offers a compelling path for shareholders to gain exposure to some of the most important private businesses of our time. At the same time, we continue to hunt for the next generation of names that will make their way onto this list in the future.

Deployment

We continue to balance three capital deployment options, namely initiating new investments, making further investments into the existing portfolio, and conducting share buybacks. Our core task remains the efficient deployment of capital across these three levers. In this regard our pace of deployment stepped up during the period – largely a function of the opportunity set that we are currently being presented with. While the broad structural change of companies staying private for longer continues to define the shape of our pipeline, the recent cyclical change during the 2020-2022 period is also having an effect. On the one hand, we have seen businesses emerge stronger and more disciplined after the previous over-abundance of capital during 2020 and 2021 particularly. However, there has also been an accompanying re-set in valuations, meaning that we have been able to invest in better, faster growing businesses at much more attractive prices, especially compared to public market peers in many cases.

Over the course of 2024, we considered more than 600 financing rounds, which led to 60 first cuts of research, followed by 30 deep dives and ultimately six of these names making their way into the Company as new holdings. Once again there was a range of geographies and industries on display as we continue to find opportunities both inside and outside of traditional fertile hunting grounds such as the United States. New US holdings comprised Tenstorrent, a semiconductor design company, and Runway AI, a generative-AI video laboratory assisting creators at every step of their process. Elsewhere we made investments in Vinted (a Lithuania-based peer-to-peer online second-hand marketplace operating primarily across Europe), Tekever (a Portuguese surveillance drone maker), Bolttech (a Singapore-based embedded insurance platform), and Zetwerk (an Indian outsourced manufacturing marketplace).

In addition to these new holdings, we also made follow-on investments in Bending Spoons and data intelligence platform, Databricks, coupled with the recapitalisation of McMakler. Two realisations were made during the period, comprising a listed sale of sustainable apparel maker, Allbirds, and an acquisition of the UK semiconductor company, Graphcore, by Softbank. Allbirds ultimately proved to be a disappointing investment as the company struggled to diversify its offering which led to significant inventory write-offs. We sold the shares in May. In the case of Graphcore we had historically written down the valuation on account of lacklustre operational performance, but were ultimately able to recover the majority of the investment on account of being senior ranking shareholders. During the final quarter of 2024 we also trimmed our position in SpaceX for portfolio management reasons, but we retain strong conviction in the company's upside potential from here. Throughout the period we also continued to execute on the share buy-back programme which was announced during the latter part of 2023. During the year to 31 January 2025 the Company bought back a total of 5.2 million shares as part of this programme.

The combined net result of these transactions is that Schiehallion's overall deployment level rose during the period, with cash and cash equivalents now only comprising approximately 6% of the Company at the reporting date. Consequently, the bar for entry into the portfolio remains high, but we will continue to capitalise on opportunities which clear this bar from within our pipeline.

Looking forward

We regard the current outlook for private growth markets as extremely compelling. At a fundamental level there are three ingredients which make up any good investment, namely a good product; a good business model underpinned by excellent management; and a good price. We believe we are seeing all three in abundance. As far as products are concerned, there is an argument that never before have so many early-stage companies brought this much innovation to bear on creating exceptional products – whether this be satellite internet provision, frictionless cross-border transacting, data-driven medical diagnostics, or AI-assisted video creation, to name but a few. At the same time, we believe we are seeing an environment which is very much conducive for excellent business model creation, with companies having access to sufficient financial capital as well as a dense pool of human capital in the form of experienced entrepreneurs and business leaders. Finally, all of this is available at compelling valuations, thereby presenting The Schiehallion Fund with the opportunity to continue making investments in not only some of the most transformational companies of today, but also some of the most transformational companies of tomorrow.

Peter Singlehurst
Robert Natzler
25 March 2025



Environmental, social and governance ('ESG') considerations

Baillie Gifford's integrated approach towards the consideration of Environmental, Social and Governance ('ESG') factors when pursuing investments in high growth private companies is articulated below:

ESG in our philosophy

The Schiehallion Fund invests in companies with a minimum time horizon of five years. Using a genuine long-term approach to investment means looking beyond the narrow scope of traditional financial analysis to consider a range of factors that may affect the ability of the fund's holdings to thrive over the long term. In this regard good governance is crucial towards enabling companies to deliver on their potential. Over our investment horizon, we also believe that scalability and profitability depend not only on a company's ability to serve customers well and execute on its business model, but also on its ability to do this without jeopardising its social licence to operate. As such, we do not separate consideration of a company's role in the broader investment ecosystem from our investment work, under ESG or any other rubric. These considerations are core to long-term investing. It is the long-term nature of the growth ambition within our investment philosophy that leads us to pay special attention to the external effects of a company's operations, both positive and negative. Over periods of five years or longer these can have a profound impact on a company's relationship with customers, regulators and staff, ultimately serving as either a significant contributor or detractor to the growth of a business. Our approach is not about being a moral conscience for our clients. Instead, it is a vital part of practising the philosophy that we believe will grow the value of their capital over the long term.

ESG in our process

The consideration of material ESG factors – those that are likely to affect the financial condition or operating performance of portfolio companies –

is well-suited to Baillie Gifford's approach to investing in private markets due to its long-term investment horizon and emphasis on active ownership. Baillie Gifford's Private Companies Team focuses its research into potential investments through a proprietary 10-Question research framework. These questions aim to address issues such as the scale of the opportunity, the competitive edge and potential returns, while others focus specifically on ESG-related elements.

For example, Question Four of the framework ("How will the leadership and cultural attributes help this business achieve its long-term business vision?") considers the leadership within a firm, the broader stakeholders within the workplace and whether the firm cultivates an effective organisational mindset capable of delivering the mission. Question Five then focuses on external stakeholders ("Do the company's customers like them?"). This question is geared towards broader ecosystem impact and considers, among other aspects, whether the company is listening and responding well to the developing needs of a growing and changing customer base. Question Six of the framework specifically explores any material environmental and social factors in greater depth ("How do environmental and social factors create opportunities and risks?").

Beyond the research framework we also consider how we can assist specific companies, with the focus often being on governance. While we do not take active board seats, we occasionally take observer seats and frequently provide encouragement, input and introductions as companies look to evolve a stronger governance structure that is better suited for public markets.

The Private Companies Team is also supported by a wider network within and outside of Baillie Gifford. As far as ESG topics are concerned specifically, we benefit from the research and expertise of Baillie Gifford's broader team of ESG professionals, academic networks and impact and climate-focused investment teams.

ESG engagement

The Company has given discretionary voting powers to Baillie Gifford. For public holdings within the Company, the Investment Manager votes against resolutions they consider may damage shareholders' rights or economic interests.

The Company believes that it is in the shareholders' interests to consider ESG factors when selecting and retaining investments and has asked the Investment Manager to take these issues into account. The Investment Manager does not exclude companies from their investment universe purely on the grounds of ESG factors but adopts a positive engagement approach whereby matters are discussed with management with the aim of improving the relevant policies and management systems and enabling the Investment Manager to consider how ESG factors could impact long-term investment returns. The Investment Manager considers governance factors across the portfolio as part of the investment case and addresses environmental and social factors in terms of material risks and opportunities. The Investment Manager's Statement of Compliance with the UK Stewardship Code can be found on the Investment Manager's website: [bailliegifford.com](https://www.bailliegifford.com). The Investment Manager's policy has been reviewed and endorsed by the Board. The Investment Manager, Baillie Gifford & Co, are signatories to the United Nations Principles for Responsible Investment.

By engaging with both the private and public companies within Schiehallion's portfolio, the Investment Manager seeks to build constructive relationships with these companies to better inform investment activities and, where necessary, effect changes within holdings, ultimately with the goal of achieving better returns for shareholders. As owners of these companies at an earlier point in their overall growth journey – i.e. while they are still private – the Investment Manager is able to gain deeper and longer-term insight due to the length of these relationships. The potential continuation of these relationships through the Initial Public Offering ('IPO') and into public markets is a key reason why these companies choose the Company as a partner.

Engagement topics

Due to the private nature of the majority of companies within Schiehallion, we are unable to disclose the exact nature of our discussions with specific management teams. That said, there are common themes that we engage companies on, and these can be grouped as follows:

Portfolio company board composition

Where the Investment Manager can add value is on board composition and, more specifically, board transition. Companies within the portfolio are often transitioning from an investor-led board to an independent board as they grow. The Investment Manager supports companies to build a board of directors that is useful in the long term. Owing to Baillie Gifford's decades-long experience investing in and engaging with public companies, it has a network of potential board members that can be introduced to relevant companies and can engage our internal Governance team to advise on good board composition more broadly. At a practical level Baillie Gifford recently held a Board Forum event for key individuals representing several of our portfolio companies – including ten holdings within the portfolio – with the aim of helping their companies prepare for life in public markets. Participants were able to hear from a range of stakeholders across Baillie Gifford's global network of founders, CEOs, board members, investors and academics. Session topics included the role of board chairpersons, share structures, compensation, and the transition from investor-led to independent boards, among others. This event built on the CFO forum held in 2023, and feedback was again overwhelmingly positive.

The IPO process

The Investment Manager often engages with portfolio companies that are thinking about the IPO process. From a practical perspective Baillie Gifford is well placed to advise on aspects such as where to list, the range of reporting that is necessary, and employee stock options, for example. More generally advice also pertains to what kind of public company these private companies eventually want to be. Baillie Gifford is a useful conversation partner in such discussions on account of its long heritage investing in public markets.

Capital structures

The Investment Manager has continued to discuss capital structures with investee companies that have been exploring a range of different options in this regard. Schiehallion's long-term horizon enables the Investment Manager to offer well-aligned advice with the intention of limiting unintended and potentially destructive consequences that can arise from complicated capital structures. When negotiating terms, the Investment Manager seeks straightforward terms that are well aligned with the long-term interests of shareholders.

Baillie Gifford – proxy voting

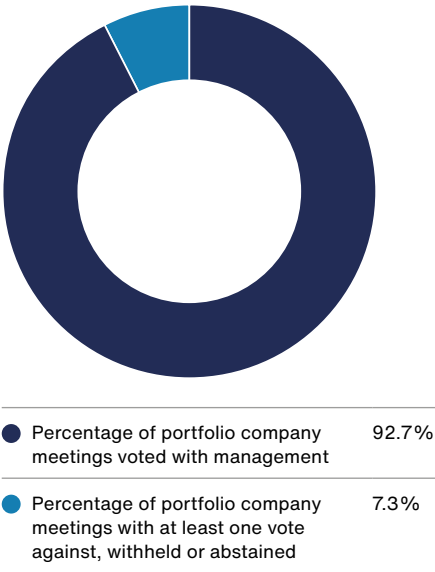
We believe that ‘active ownership’ of our clients’ holdings is as important as selecting the right investments in the first instance. These guidelines are aligned with our stewardship principles and describe our approach to proxy voting and company engagement, the key levers of active ownership, often described as ‘stewardship’.

While these guidelines are intended to provide an insight into how we approach voting on our clients’ behalf, it is important to note that we assess every company individually. In voting, we will always evaluate proposals on a case-by-case basis, based on what we believe to be in the best long-term interests of our clients, rather than rigidly applying a policy.

A broad cross-section of our investment staff are involved in our ongoing work on stewardship. In the same way that our investment approach is based around empowered and independent teams, our voting and engagement is led by the individual investment teams. In keeping with our decentralised and autonomous culture, our investment teams will, on occasion, elect to vote differently on the same general meeting resolutions. Where this happens, we report accordingly in the proxy voting disclosure on our website. We also have clear processes in place to identify, prevent and manage potential proxy voting related conflicts of interest to ensure that in all cases the firm acts in the clients’ best interest. Baillie Gifford’s firm-wide conflict of interest disclosure is available on its website.

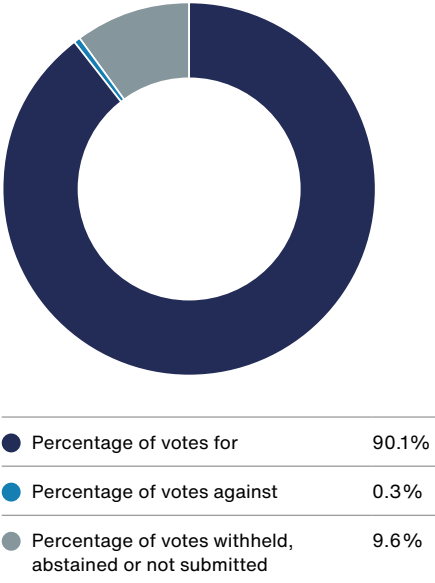
Prior to taking any voting action, we usually address specific ESG concerns by engaging directly with the company, using voting as an escalation mechanism if we have not seen sufficient progress.

Portfolio company meeting record*



* The Company voted at 55 meetings in the year, voting entirely in favour of management on 51 occasions.

Voting distribution†



† Votes were cast for 305 of the 334 resolutions proposed over the 55 meetings held in the year. 301 votes were submitted in favour, 1 against and 3 votes were withheld.



One year summary

The following information illustrates how The Schiehallion Fund Limited performed over the year ended 31 January 2025.

Ordinary shares	31 January 2025	31 January 2024	% change
Shareholders' funds	US\$1,369.96m	US\$1,219.14m	
Net asset value*	133.69¢	118.37¢	12.9% *
Share price*	108.00¢	71.50¢	51.0% *
Discount†*	(19.2%)	(39.6%)	
Number of shares in issue	1,024,738,907	1,029,898,907	
Market capitalisation	US\$1,106.72m	US\$736.38m	
Ongoing charges†*	0.92%	0.85%	
	Year ended 31 January 2025	Year ended 31 January 2024	
Revenue loss per share	(0.39¢)	(0.12¢)	

Period's high and low

Ordinary shares	Year ended 31 January 2025		For the period 9 September 2023 to 31 January 2024		For the period 1 February 2023 to 8 September 2023	
	High	Low	High	Low	High	Low
Net asset value per ordinary share	133.89¢	112.90¢	118.66¢	103.40¢	117.98¢	103.94¢
Share price	120.00¢	57.00¢	74.00¢	45.00¢	92.50¢	59.00¢
(Discount)/premium†	(7.28%)	(52.40%)	(36.29%)	(56.48%)	(22.53%)	(44.93%)

C shares¶	For the period 1 February 2023 to 8 September 2023	
	High	Low
Net asset value per ordinary share	80.78¢	73.83¢
Share price	49.00¢	39.50¢
(Discount)/premium†	(38.43%)	(50.38%)

For a definition of terms see Glossary of terms and Alternative Performance Measures on pages 115 and 116.

* Key performance indicator.

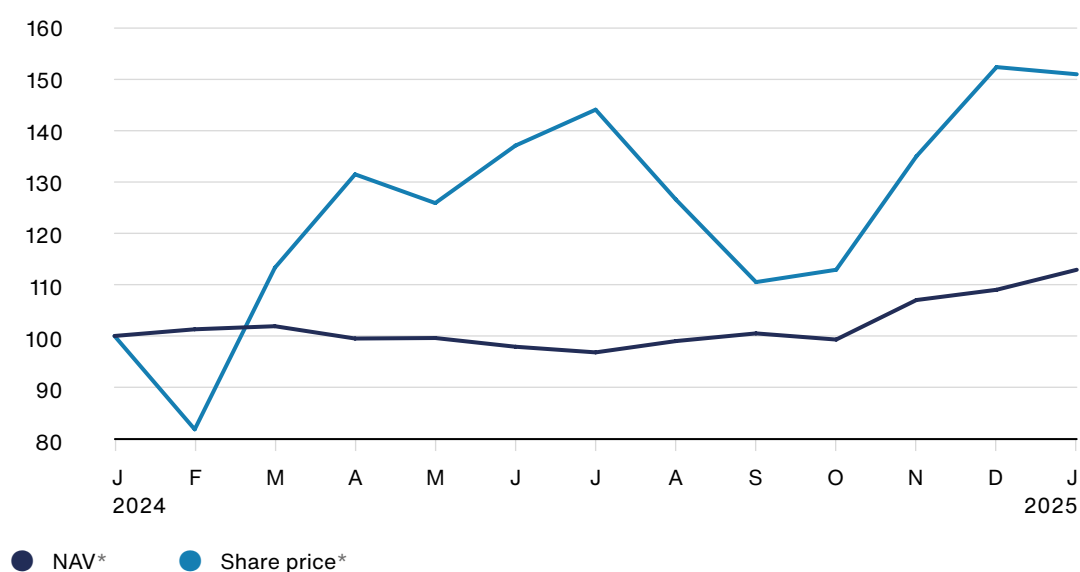
† Alternative Performance Measure, see Glossary of terms and Alternative Performance Measures on pages 115 and 116.

¶ The C shares converted on 8 September 2023.

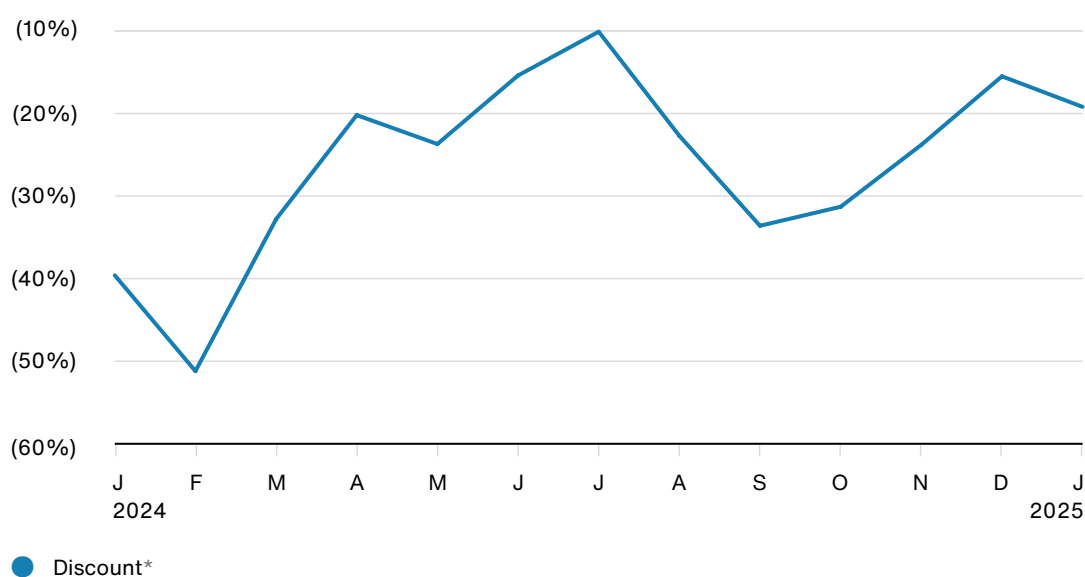
Source: Baillie Gifford/LSEG. See disclaimer on page 113.

NAV and ordinary share price total return^{*†}

(figures rebased to 100 at 31 January 2024)

**Ordinary share discount to net asset value^{*†}**

(figures plotted on a monthly basis)



* Key performance indicator.

† Alternative Performance Measure, see Glossary of terms and Alternative Performance Measures on pages 115 and 116.

Source: Baillie Gifford/LSEG. See disclaimer on page 113.

Review of investments

A review of the Company’s ten largest investments as at 31 January 2025.



© SpaceX

Space Exploration Technologies (SpaceX)

SpaceX designs, manufactures and launches spacecraft while also operating an internet satellite constellation known as Starlink. Towards the end of 2024 the company reached a publicly disclosed valuation of \$350 billion, making it the largest private company in the world. It has built its business around simplicity, innovation and affordability leading to a vertically integrated, lean and nimble organisation that can iterate and manufacture quickly. It continues to pursue an enormous market opportunity, coupled with large and growing revenues underpinned by compelling profitability dynamics.

Geography	United States
Valuation at 31 January 2025	US\$128,811,000
% of net assets	9.4%
Valuation at 31 January 2024	US\$88,324,000
% of net assets	7.2%
Net purchases/(sales) in the year	(US\$5,451,000)



Bending Spoons

Bending Spoons is a developer and acquirer of digital consumer applications. The company leverages its shared set of tools to use across different applications, with the shared goal of maximising long-term value creation while simultaneously minimising customer acquisition cost and improving the product for consumers. Scaling its current suite of applications and strategically acquiring new ones will be the key enabler of its continued success.

Geography	Italy
Valuation at 31 January 2025	US\$111,244,000
% of net assets	8.1%
Valuation at 31 January 2024	US\$48,922,000
% of net assets	4.0%
Net purchases/(sales) in the year	US\$9,921,000



© Imaginechina Limited/Alamy Stock Photo

ByteDance

ByteDance is well known for its video-sharing social networking platforms TikTok and Douyin, as well as the news aggregator application, Toutiao. The company uses machine learning to deliver relevant and individualised content. Further innovations include enabling advertisers to target customers with precision. TikTok is one of the few Chinese companies to grow a successful overseas operation. Performance remains strong, with earnings growth exceeding that of peers and active user numbers approaching those of US public market peer, Meta. Some regulatory challenges remain outside of China.

Geography	China
Valuation at 31 January 2025	US\$85,177,000
% of net assets	6.2%
Valuation at 31 January 2024	US\$63,835,000
% of net assets	5.2%
Net purchases/(sales) in the year	nil

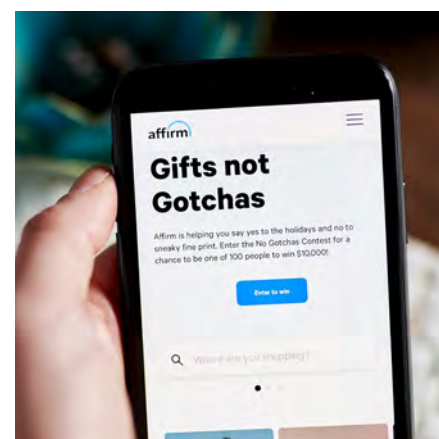


© Wise

Wise®

Wise, the international money transfer business, enables customer and business payments while eliminating intermediaries and limiting transaction costs. Wise listed in July 2021 at a market capitalisation of c.US\$11 billion after successive years of successful execution. The company continues to expand its global footprint and currently boasts six direct connections to domestic payment systems, coupled with 65+ licenses and 90+ banking partnerships globally.

Geography	United Kingdom
Valuation at 31 January 2025	US\$83,229,000
% of net assets	6.1%
Valuation at 31 January 2024	US\$61,991,000
% of net assets	5.1%
Net purchases/(sales) in the year	nil



© Bloomberg/Getty Images

Affirm®

Affirm is a digital financial services company that offers simple consumer loans to buy an array of consumer goods. The company experienced impressive growth up to its IPO in 2021 and has continued this as a public company. It continues to expand its user base and merchant partners, most recently through a partnership with Apple Pay launched in the latter half of 2024, as well as through an expansion into the United Kingdom.

Geography	United States
Valuation at 31 January 2025	US\$79,224,000
% of net assets	5.9%
Valuation at 31 January 2024	US\$52,578,000
% of net assets	4.3%
Net purchases/(sales) in the year	nil

® Denotes listed investments previously held in the portfolio as a private company investment.



© Tempus

Tempus AI®

Healthcare technology company Tempus AI, boasts the world's largest library of clinical and molecular data. This is a key underpinning to the company's efforts to advance precision medicine by integrating artificial intelligence into healthcare, enabling data-driven decisions for personalised care. The company listed on the Nasdaq in June 2024 and has been one of the top contributors within the portfolio since inception.

Geography	United States
Valuation at 31 January 2025	US\$46,435,000
% of net assets	3.4%
Valuation at 31 January 2024	US\$26,402,000
% of net assets	2.2%
Net purchases/(sales) in the year	nil



© Shutterstock/mundissima

Stripe

Stripe, the global payments processing company, continues to focus on making its services more accessible and beneficial for customers. Recent areas of progress include the expansion of support for more payment providers, upgrades to the Stripe Billing offering, as well as a new partnership with chip giant NVIDIA. The increased interoperability, coupled with the upgrades to Stripe Billing, are further examples of how the company continues to evolve and improve its overall offering.

Geography	United States
Valuation at 31 January 2025	US\$39,796,000
% of net assets	2.9%
Valuation at 31 January 2024	US\$27,468,000
% of net assets	2.3%
Net purchases/(sales) in the year	nil



Databricks

Databricks is a data infrastructure, management and AI SaaS company with a mission to democratise AI for enterprises. Its machine learning-as-a-service platform enables any company to use this set of technologies. Usage also extends beyond business intelligence based on historical data, but also to predictions and automated real-time decision-making. As such the platform has the potential to have a positive impact on every line of a user company's profit and loss statement.

Geography	United States
Valuation at 31 January 2025	US\$39,029,000
% of net assets	2.8%
Valuation at 31 January 2024	US\$29,873,000
% of net assets	2.5%
Net purchases/(sales) in the year	US\$4,350,000

® Denotes listed investments previously held in the portfolio as a private company investment.



© Wayve

Wayve Technologies

Wayve is developing software for autonomous vehicles, using end-to-end deep learning. Using an entirely machine-learned approach and training their system in central London, Wayve promises to safely meet the edge cases (i.e. uncommon scenarios that automated systems need to be prepared for) that have previously hampered the self-driving industry. The company also recently expanded its operations into the United States, marking the first on-road trials outside the United Kingdom. Wayve's strong team, partnerships and track record put it in a unique position to lead the commercialisation of safe autonomous driving.

Geography	United Kingdom
Valuation at 31 January 2025	US\$36,275,000
% of net assets	2.6%
Valuation at 31 January 2024	US\$34,001,000
% of net assets	2.8%
Net purchases/(sales) in the year	nil



Warby Parker®

Corrective eyewear retailer, Warby Parker, remains focused on increasing revenue per customer and driving footfall into its stores through its eye test offering. The company went public in September 2021, and after a difficult initial journey in public markets during the market correction experienced in 2022, it saw a strong share price recovery during the most recent twelve-month reporting period (+117%).

Geography	United States
Valuation at 31 January 2025	US\$35,653,000
% of net assets	2.6%
Valuation at 31 January 2024	US\$16,398,000
% of net assets	1.3%
Net purchases/(sales) in the year	nil

® Denotes listed investments previously held in the portfolio as a private company investment.

Portfolio executive summary

Performance

	1 year %	3 years %	5 years %	Since inception % *
Share price	51.0%	(49.1%)	(11.1%)	8.0%
NAV	12.9%	(15.5%)	29.4%	34.1%



* Inception date: 27 March 2019.

All figures are stated on a total return basis† for periods to 31 January 2025.

† Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 115 and 116.

Source: Baillie Gifford/LSEG. See disclaimer on page 113.

Key contributors to and detractors from Company performance – year to 31 January 2025

Contributors†	Contribution to absolute performance (%) *	Absolute return # (%)	Detractors†	Contribution to absolute performance (%) *	Absolute return # (%)
Space Exploration Technologies	5.5	86.1	McMakler	(3.6)	(99.9)
Bending Spoons	4.1	88.9	Northvolt	(2.9)	(94.5)
Affirm 	2.5	50.8	Brex	(0.9)	(30.3)
ByteDance	2.1	33.4	Pet Circle (Millell)	(0.9)	(43.7)
Tempus AI 	1.9	75.9	Flix	(0.8)	(26.9)

* Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on pages 115 and 116.

Absolute performance (in US\$ terms) has been calculated on a total return basis (including reinvestment of any dividends paid by portfolio holdings) over the period 1 February 2024 to 31 January 2025.

† The contributors to and detractors from Company performance are listed in descending order.

Source: Revolution.


New buys

- o Vinted
- o Tekever
- o Runway AI
- o Tenstorrent
- o Bolttech
- o Zetwerk

Additions

- o Bending Spoons
- o Databricks

Complete sales

- o Graphcore
- o Convoy
- o Allbirds 

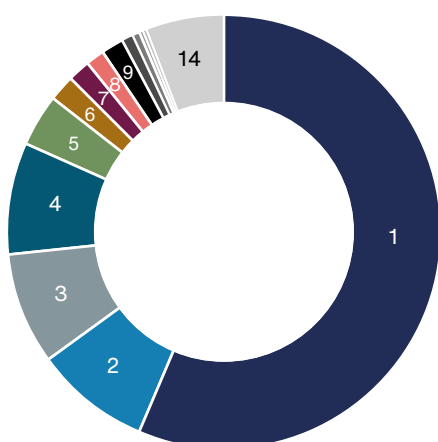
Reductions

- o Space Exploration Technologies
- o McMakler

 Denotes listed investment previously held in the portfolio as a private company investment.

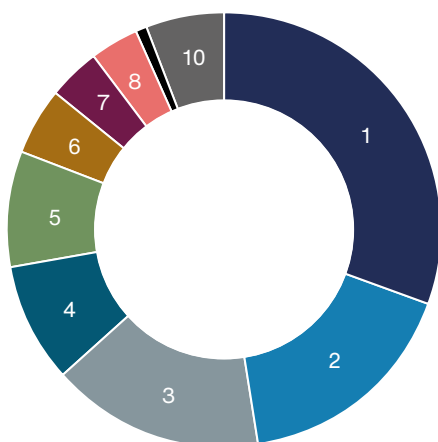
Distribution of net assets

Geographical as at 31 January 2025



Geographical	% at 31 January 2025	% at 31 January 2024	Number of investments at 31 January 2025
1 United States	56.8	50.7	32
2 United Kingdom	8.7	8.4	2
3 China	8.4	7.7	3
4 Italy	8.1	4.0	1
5 India	3.9	3.4	2
6 Germany	2.0	5.8	2
7 Lithuania	1.7	–	1
8 Singapore	1.5	–	1
9 Portugal	1.5	–	1
10 Australia	1.0	1.8	1
11 Brazil	0.6	0.9	1
12 Canada	<0.1	0.2	1
13 Sweden	<0.1	2.7	1
14 Net current assets	5.8	14.4	

Sectoral as at 31 January 2025



Sectoral	% at 31 January 2025	% at 31 January 2024	Number of investments at 31 January 2025
1 Information technology	30.6	21.3	16
2 Financials	17.0	18.0	5
3 Industrials	15.9	13.0	6
4 Communication services	8.8	8.8	3
5 Consumer discretionary	8.6	10.1	7
6 Healthcare	5.1	3.6	4
7 Consumer staples	3.8	4.2	4
8 Materials	3.6	2.6	2
9 Real estate	0.8	4.0	2
10 Net current assets	5.8	14.4	

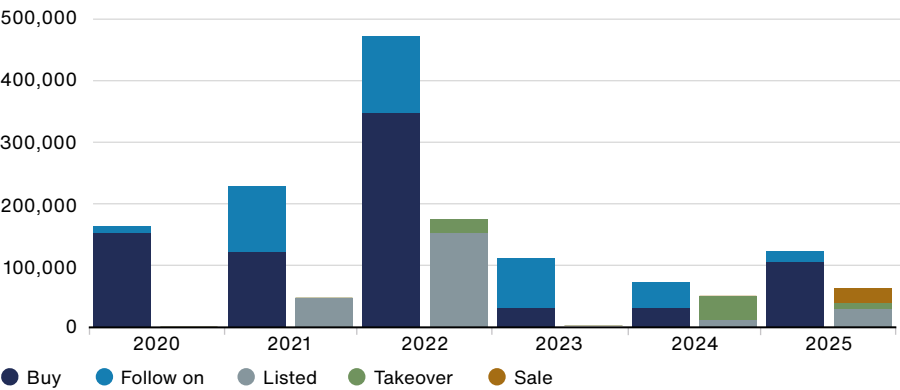
The above sectoral distribution is not derived from any index.

Historical snapshot

Since our inception in 2019, The Schiehallion Fund Limited has deployed US\$1.17bn of capital in private companies.

Transaction value

Showing transactions in private companies prior to the reporting date (US\$'000).



03
private companies taken over

09
private companies listed

42
private companies currently held

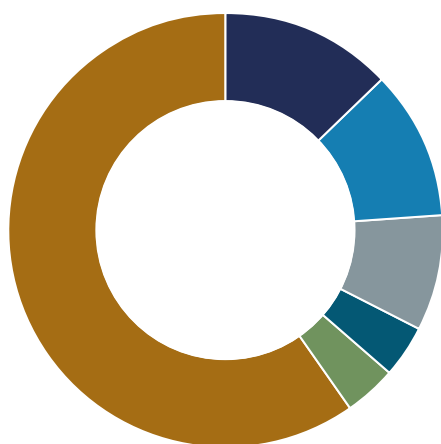
Company size

Our portfolio tends to be weighted to the upper end of the maturity curve, focused on late stage private companies who are scaling up and becoming profitable. The below table represents total equity value at 31 January 2025.

Cap	Total equity value (US\$)	Net assets %	Number of private companies	Number of listed holdings
Micro	<\$300m	0.9	7	-
Small	\$300m-\$2bn	11.7	11	-
Medium	\$2bn-\$10bn	43.7	18	4
Large	>\$10bn	37.9	6	3
		94.2	42	7

Private exposure

(31 January 2025)



Space Exploration Technologies	9.4%
Bending Spoons	8.1%
ByteDance	6.2%
Stripe	2.9%
Databricks	2.8%
Rest of private company portfolio	43.5%

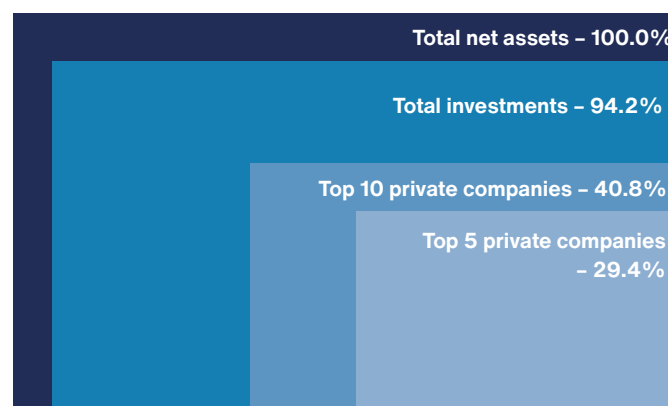
Portfolio activity – year to 31 January 2025

US\$121.9 million was deployed in private companies during the year. New investments in Bolttech, Runway AI, Tekever, Tenstorrent, Vinted and Zetwerk, follow on investments in Bending Spoons and Databricks.

Tempus AI listed in the period.

Concentration

At 31 January 2025 we held 42 private companies which equated to 72.9% of total net assets.



Net current assets represent 5.8% of total net assets.

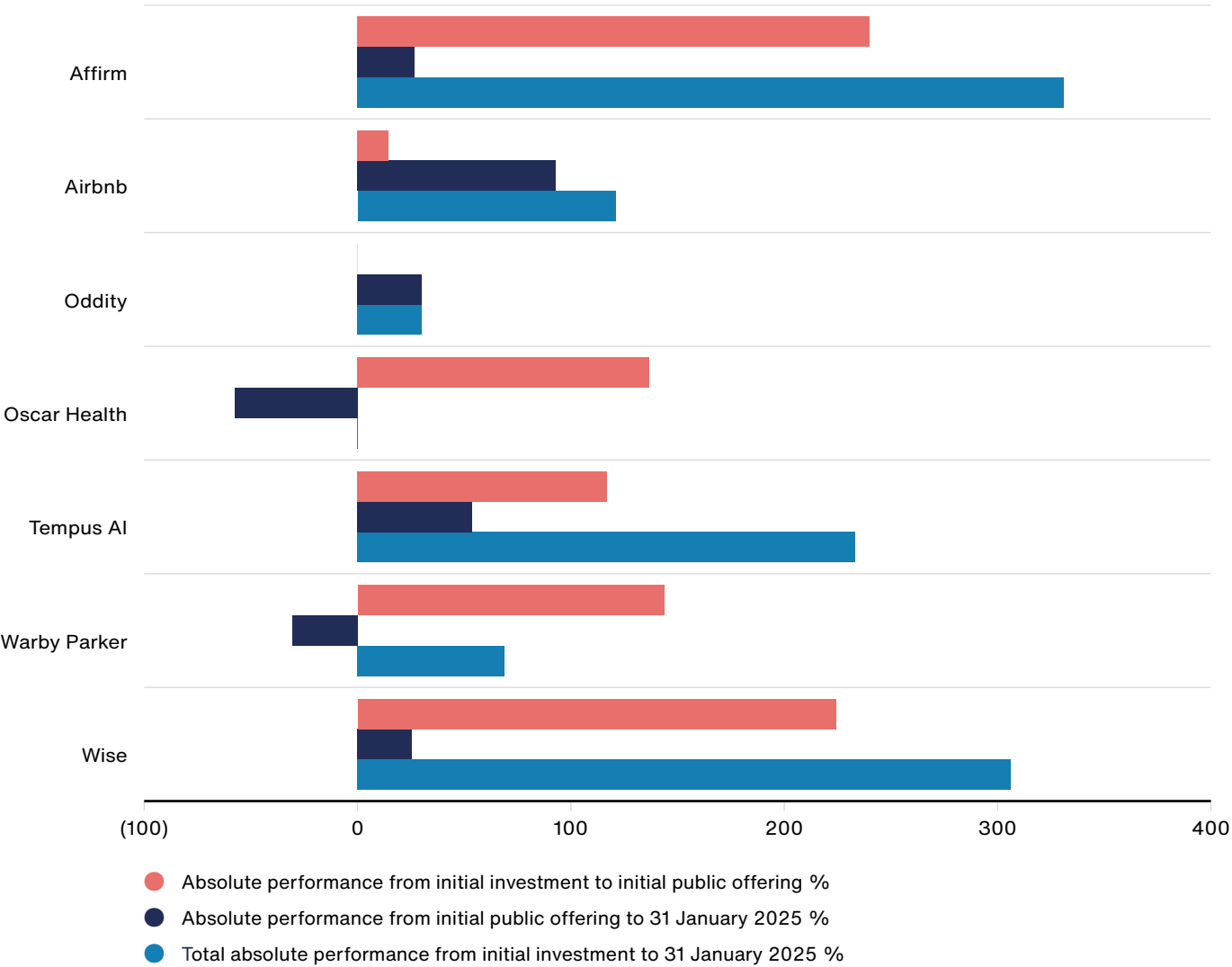
All figures stated as percentage of total net assets, as at 31 January 2025.

Private company overview

	Year ended 31 January 2025 US\$'000	Year ended 31 January 2024 US\$'000
Opening fair value	869,709	853,014
Purchases at cost	121,914	71,914
Sales – proceeds	(32,383)	(38,795)
– (losses)/gains	(39,224)	17,370
Change in categorisation	(18,468)	(10,000)
Change in fair value	98,059	(23,794)
Closing fair value	999,607	869,709

Performance of listed holdings at 31 January 2025 held previously as private company investments from date of initial investment of each holding to 31 January 2025

(absolute performance in US dollar terms %)



Source: Revolution/Baillie Gifford.
Note: Absolute performance returns cannot be added together as they are geometric.

Baillie Gifford's approach to valuing private companies

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

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

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

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

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

Renewed investor sentiment and improved market conditions have led to an increase in deal activity during 2024. Whilst global markets have tended to be more stable, isolated pockets of heightened volatility remain. The data below quantifies the revaluations carried out during the twelve months to 31 January 2025, however it does not reflect the ongoing monitoring of the private investment portfolio which has not resulted in a change in valuation.

The Schiehallion Fund Limited*

Instruments valued	357
Instruments held	76
Percentage of portfolio revalued up to 4 times	46.1%
Percentage of portfolio revalued 5 or more times	53.9%

* Data reflecting year to 31 January 2025.

List of investments

As at 31 January 2025

Name	Business	Country	2025 Total value US\$'000	2025 % of net assets	2024 Total value US\$'000	2024 % of net assets
Space Exploration Technologies	Designs, manufactures and launches advanced rockets and spacecraft	United States	128,811	9.4	88,324	7.2
Bending Spoons	Mobile application software developer	Italy	111,244	8.1	48,922	4.0
ByteDance	Social media and news aggregation company	China	85,177	6.2	63,835	5.2
Wise [®]	Online platform to send and receive money	United Kingdom	83,229	6.1	61,991	5.1
Affirm [®]	Fintech providing lending and consumer credit services	United States	79,224	5.9	52,578	4.3
Tempus AI [®]	Oncological records aggregator and diagnostic testing provider	United States	46,435	3.4	26,402	2.2
Stripe	Online payment platform	United States	39,796	2.9	27,468	2.3
Databricks	Data software solutions	United States	39,029	2.8	29,873	2.5
Wayve Technologies	AI based software for self-driving cars	United Kingdom	36,275	2.6	34,001	2.8
Warby Parker [®]	Online and physical corrective eyewear retailer	United States	35,653	2.6	16,398	1.3
Dailyhunt (VerSe Innovation)	Telephone voice, data, text messaging, and roaming services	India	34,314	2.5	41,006	3.3
Solugen	Combines enzymes and metal catalysts to make chemicals	United States	30,301	2.2	32,293	2.6
Brex	Corporate credit cards for startups	United States	28,014	2.1	40,212	3.3
Faire Wholesale	Online wholesale marketplace	United States	27,997	2.0	28,509	2.4
Epic Games	Video game developer	United States	27,018	2.0	17,565	1.4
Grammarly	Online platform for checking grammar, spelling and improving written communication	United States	25,435	1.9	23,976	2.0
Chime Financial	Digital current account provider	United States	24,987	1.9	26,697	2.2
Flix	European mobility provider	Germany	24,114	1.8	32,996	2.7
PsiQuantum	Silicon photonic quantum computing	United States	23,536	1.7	13,996	1.1

[®] Denotes listed investment previously held in the portfolio as a private company investment.

Name	Business	Country	2025 Total value US\$'000	2025 % of net assets	2024 Total value US\$'000	2024 % of net assets
Vinted	Online marketplace	Lithuania	23,430	1.7	–	–
Rappi	Provider of an on-demand delivery platform designed to connect consumers with local stores	United States	23,190	1.7	21,825	1.8
Oddity [®]	Direct to consumer cosmetics	United States	22,180	1.6	19,181	1.6
Genki Forest Technology Group	Non-alcoholic beverages	China	21,973	1.6	22,628	1.9
Tekever	Unmanned systems technology and services manufacturer	Portugal	20,790	1.5	–	–
Kepler Computing	Semiconductor company	United States	20,221	1.5	23,137	1.9
Bolttech	Global insurance platform services	Singapore	20,000	1.5	–	–
Zetwerk Manufacturing	Fabricated metal products	India	19,488	1.4	–	–
HeartFlow	Develops software for cardiovascular disease diagnosis and treatment	United States	15,925	1.2	10,939	0.9
Tanium	Online security management	United States	15,698	1.2	17,974	1.5
Nuro	Developer of autonomous delivery vehicles	United States	14,870	1.1	13,044	1.1
Workrise Technologies	Jobs marketplace for the energy sector	United States	14,467	1.1	13,392	1.1
Oscar Health [®]	Healthcare insurance provider	United States	13,630	1.0	10,292	0.8
Merlin Labs	Autonomous flight technology	United States	13,483	1.0	10,632	0.9
Pet Circle (Millell)	Pet food and accessories	Australia	12,945	1.0	22,975	1.9
Cohesity Global	Data storage	United States	11,302	0.8	11,526	0.9
Airbnb [®]	Online market place for travel accommodation	United States	10,085	0.7	11,082	0.9
Tenstorrent	Processor architecture and software solutions	United States	10,000	0.7	–	–
Runway AI	Artificial Intelligence based applications developer	United States	10,000	0.7	–	–
Loft	Online property platform	Brazil	9,763	0.6	11,556	0.9
Bottle Planet	Producer of alcoholic beverages	China	8,756	0.6	8,012	0.7
Away (JRSK)	Travel and lifestyle brand	United States	8,411	0.6	10,590	0.9
Honor Technology	Provider of home-care services	United States	7,877	0.5	5,379	0.4
Carbon	Manufactures and develops 3D printers	United States	6,701	0.5	9,062	0.7
McMakler	Real estate services	Germany	2,079	0.2	37,242	3.1
MasterClass (Yanka Industries)	Online education subscription platform	United States	1,151	0.1	2,732	0.2
Northvolt	Lithium ion battery manufacturer	Sweden	600	<0.1	31,772	2.6

[®] Denotes listed investment previously held in the portfolio as a private company investment.

Name	Business	Country	2025 Total value US\$'000	2025 % of net assets	2024 Total value US\$'000	2024 % of net assets
Illumina CVR	Gene sequencing equipment and consumables	United States	407	<0.1	407	<0.1
Blockstream	Financial software developer	Canada	339	<0.1	1,947	0.2
Indigo Agriculture	Microbial seed treatments to increase crop yields and grain marketplace	United States	100	<0.1	801	0.1
Total investments			1,290,450	94.2		

Name	2025 Total value US\$'000	2025 % of net assets	2024 Total value US\$'000	2024 % of net assets
US Treasury Bill 15/05/2025	12,963	1.0	–	–
US Treasury Bill 20/03/2025	12,962	1.0	–	–
US Treasury Bill 30/10/2025	12,884	0.9	–	–
US Treasury Bill 07/08/2025	12,869	0.9	–	–
US Treasury Bill 02/10/2025	12,832	0.9	–	–
US Treasury Bill 22/01/2026	12,824	0.9	–	–
US Treasury Bill 18/04/2024	–	–	27,949	2.3
US Treasury Bill 22/02/2024	–	–	27,948	2.3
US Treasury Bill 13/06/2024	–	–	27,935	2.3
US Treasury Bill 29/11/2024	–	–	27,922	2.3
US Treasury Bill 05/09/2024	–	–	27,909	2.3
US Treasury Bill 31/10/2024	–	–	27,859	2.2
Total US Treasury Bills	77,334	5.6	167,522	13.7
Cash	6,118	0.5	11,306	0.9
Other current assets and liabilities	(3,628)	(0.3)	(2,638)	(0.2)
Capital gains tax provision	(317)	0.0	(834)	0.0
Net current assets less capital gains tax provision	79,507	5.8	175,356	14.4
Total net assets less capital gains tax provision	1,369,957	100.0	1,219,137	100.0

	Listed investments %	Private company investments %	Net current assets %	Net assets %
31 January 2025	21.3	72.9	5.8	100.0
31 January 2024	14.3	71.3	14.4	100.0

Allocation of net assets

Name	2025 Total value US\$'000	2025 % of net assets	2024 Total value US\$'000	2024 % of net assets
Listed investments	290,843	21.3	174,072	14.3
Private company investments	999,607	72.9	869,709	71.3
US Treasury Bills	77,334	5.6	167,522	13.7
Cash and cash equivalents	6,118	0.5	11,306	0.9
Net current assets less capital gains tax provision	(3,945)	(0.3)	(3,472)	(0.2)
Total net assets	1,369,957	100.0	1,219,137	100.0

Company metrics	Capital deployed *	Number of private company acquisitions	Number of IPOs/listings	Gross Internal Rate of Return (IRR) *	Gross Multiple on Invested Capital (MOIC) *
Since launch	US\$1,244m	55	9	4.2%	1.1

* Alternative Performance Measure, see Glossary of terms and Alternative Performance Measures on pages 115 and 116.

Business review

Business model

Business and status

The Schiehallion Fund Limited (the ‘Company’) is a non-cellular investment company limited by shares, registered and incorporated in Guernsey under the Companies (Guernsey) Law, 2008 (the ‘Companies Law’) on 4 January 2019, with registration number 65915. The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law 2020 and the Registered Collective Investment Scheme Rules, 2021 issued by the Guernsey Financial Services Commission (‘GFSC’). The Company has been admitted to trade on the Specialist Fund Segment of the Main Market of the London Stock Exchange.

The Company has a fixed share capital consisting of ordinary shares, although, subject to shareholder approval, it may purchase its own shares or issue shares.

The authority to purchase shares expires at the end of the Company’s Annual General Meeting (‘AGM’) and the Directors are seeking to renew this authority at the AGM on 22 May 2025.

The authority to issue ordinary shares will expire immediately prior to the AGM to be held in 2029 (or, if earlier, five years from 10 May 2024). Shareholder approval will be sought to renew the authority to issue shares at the 2029 AGM. The price of the ordinary shares is determined, like other listed shares, by supply and demand. The Company’s shares are denominated in US dollars.

The Company is an Alternative Investment Fund (‘AIF’) for the purposes of the UK Alternative Investment Fund Managers Regulations.

Investment objective

The Company’s investment objective is to generate capital growth for investors through making long-term minority investments in later stage private businesses that the Company considers to have transformational growth potential and to have the potential to become publicly traded.

Investment policy

In making its initial investment in a business, the Company will seek to invest in private businesses which it considers have the potential to become admitted to trading on a public stock exchange. Those investments will typically take the form of equity or equity-related instruments (which may include, without limitation, preference shares, convertible debt instruments, equity-related and equity-linked notes and warrants) issued by investee companies.

The Company will only invest in private businesses that are considered to have some or all of the following features:

- the potential to grow revenue and earnings multiple fold over the long term;
- scalable business models that should enable those businesses to grow into their opportunity;
- robust competitive advantages;
- exceptional management teams;
- an entry price which significantly undervalues the long-term opportunity for the business; and
- an ambition and ability to become stand-alone public companies.

Investee companies may be from any sector and any geography. While there are no specific limits placed on exposure to any one sector, the Company will at all times seek to invest and manage the portfolio in a manner consistent with spreading investment risk.

With prior approval of the Board, the Company may permit the use of derivatives for the purpose of currency hedging, though it currently does not expect to do so. Save for this and for investments made using equity-related instruments as described above, the Company may not engage in derivative transactions for any purpose.

The Board does not intend to use structural gearing with a view to enhancing equity returns on investments. The Company may employ gearing on a short-term basis for the purpose of bridging investments and general working capital purposes. The Company may in aggregate borrow amounts equalling up to 10% of net asset value, calculated at the time of drawdown.

The Company is subject to the following investment restrictions:

- an investee company must be a private investee company at the time of the Company's initial investment in that investee company. The Company may, however, make subsequent investments in the investee company, even if the investee company has been admitted to trading on a public stock exchange in the period since the Company's initial investment;
- a private investee company must have a value of at least US\$500 million at the time of the Company's initial investment in the private investee company. This restriction will not apply to the Company's subsequent investments in the investee company, if any;
- the Company may not make an initial investment in a private investee company which exceeds in value 10% (calculated at the time of investment) of the most recently published net asset value (save to the extent that breach of this 10% limit is due to a change in the value of the Company's invested assets or currency fluctuations from the time of the Company's firm commitment to make the investment to the time of investment);
- the Company may not make any investment in a private investee company that would cause the value of the Company's holding in that private investee company to exceed 19.9% (calculated at the time of investment) of the most recently published net asset value; and
- the Company may not make any investment in an investee company that would cause the Company's holding in that investee company to exceed 20% (calculated at the time of investment) of the total issued share capital of the investee company.

A reference to the value of assets of the Company (including investee companies) in the restrictions above shall refer to the value as determined in accordance with the Company's valuation policy from time to time.

The Company does not currently expect the portfolio to be majority invested in public investee companies at any point in time, but it has not set a limit on the percentage of the portfolio which can be invested in public investee companies at a given time.

It is intended that the Company will be substantially invested in normal market conditions. However, the Company may at any time hold overnight or term deposits or, pending investment in investee companies, invest in a range of cash-equivalent instruments such as US Treasury Bills or money market funds. There is no restriction on the amount of cash or cash-equivalent instruments that the Company may hold.

Company culture

The Board recognises the importance of a strong corporate governance culture that meets the requirements of the Code of Corporate Governance issued by the Guernsey Financial Services Commission (the 'Guernsey Code'), the UK Listing Rules and other bodies such as the AIC which contribute to the Company's long-term success.

Life of the Company

The Company has been established with an unlimited life.

Dividend policy

The Company's priority is to produce capital growth over the long term. Given the nature of the Company's investments, the Company does not expect to pay dividends in the foreseeable future and therefore has no dividend target and will not seek to provide shareholders with a particular level of income. If any dividends or distributions are made, they will at all times be subject to compliance with the solvency test prescribed by Guernsey law.

Liquidity policy

The Directors will consider repurchasing shares in the market if they believe it to be in the interests of shareholders as a whole and as a means of addressing imbalances between supply and demand for the shares.

The timing, price and volume of any buy back of shares will be at the absolute discretion of the Directors and is subject to the Company having sufficient working capital for its requirements and surplus cash resources available. The acquisition of shares pursuant to the authorities is subject to compliance with the solvency test and any other relevant provisions of the Companies Law.

The Company announced on 1 November 2023 that the Board and Investment Manager believed that the ordinary shares represented an attractive investment opportunity following a significant widening of the discount and the Company intended to allocate up to US\$20m towards share repurchases, given the limited available capital at the time. The Board will keep this capital allocation and associated share buyback policy under review.

Share buybacks – At the last Annual General Meeting the Company was granted authority to purchase up to 154,145,753 ordinary shares (equivalent to 14.99% of its issued share capital as at 10 May 2024), such authority to expire at the 2025 Annual General Meeting. The Directors are seeking shareholders' approval at the Annual General Meeting to renew the authority to make market purchases of up to 153,196,137 ordinary shares representing approximately 14.99% of the Company's ordinary shares in issue as at 21 March 2025, being the latest practicable date prior to the publication of this document, such authority to expire at the Annual General Meeting of the Company to be held in 2026.

Share repurchases will only be made through the market for cash at prices (after taking account of all commissions, costs and expenses of the purchases) not exceeding the last reported net asset value per ordinary share.

Shares purchased by the Company may be cancelled or held in treasury (or a combination of both). Shares may be sold from treasury but not at a price per share which would be less (after taking account of all commissions, costs and expenses of such sale) than the last reported net asset value per share at the relevant time. 5,160,000 ordinary shares were bought back (4,695,000 for cancellation and 465,000 to treasury) by the Company for \$4,246,000 during the year ended 31 January 2025 (31 January 2024 – 2,601,000 ordinary shares bought back for cancellation for \$1,851,000).

Treasury shares – The Company is permitted to hold shares acquired by way of market purchase in treasury, rather than being obliged to cancel them. A maximum of 10% of the ordinary shares in issue at the relevant time may be held in treasury. Such shares may be subsequently cancelled or sold for cash. Holding shares in treasury would give the Company the ability to sell shares from treasury quickly and in a cost efficient manner, and would provide the Company with additional flexibility in the management of its capital base. However, the issue of shares from treasury will be subject to the Articles of Incorporation and the provisions relating to rights of pre-emption contained therein, further details of which are referred to in the section entitled 'Share issuance' below. 465,000 shares were held in treasury at the year end (31 January 2024 – nil).

Share issuance – The Directors have authority to issue further ordinary shares. Further issues of ordinary shares will only be made if the Directors determine such issues to be in the best interests of shareholders and the Company as a whole. Relevant factors in making such determination include the Company's performance, the discount/premium at which the ordinary shares trade to the prevailing net asset value per ordinary share, perceived investor demand and investment opportunities. Ordinary shares will only be issued at prices per ordinary share which, after taking into account any placing commission and expenses payable in respect of such issues, are not less than the last reported net asset value per ordinary share.

There are no provisions of Guernsey law which confer rights of pre-emption in respect of the issue of ordinary shares. The Articles of Incorporation do, however, contain pre-emption rights in relation to the issue of ordinary shares for cash, although such pre-emption rights were, by a resolution passed on 15 March 2019, disapplied in respect of up to 720 million ordinary shares or C shares (such figure to include the ordinary shares issued pursuant to the placing) for a period which concluded on 15 March 2024.

At the AGM held on 10 May 2024, the Directors were granted shareholders' approval to dis-apply the pre-emption rights in respect of the issue of up to 102,882,390 ordinary shares or C Shares or the sale of 102,882,390 ordinary shares or C Shares held as treasury shares of the Company for a period concluding immediately prior to the Annual General Meeting of the Company to be held in 2029 (or, if earlier, five years from the date of passing of such shareholders' resolution).

No ordinary shares have been issued since the passing of the above resolution, therefore, the Directors have authority to issue a further 102,882,390 ordinary shares or C shares held as treasury shares.

By way of a special resolution dated 18 March 2021 the Directors had a general authority to allot up to 700,000,000 C shares. On 26 April 2021, the Company issued 700,000,000 C shares which converted on 8 September 2023 as noted in the following section.

C Share conversion

On 3 August 2023, the Board announced that the C shares proceeds were 86.6% deployed, having crossed the 85% deployment threshold set out in the Prospectus published on 18 March 2019. The conversion ratio was calculated in accordance with the methodology prescribed in the Prospectus and was determined by the relative net asset values of the C shares and the ordinary shares at the time of conversion. This ensured that the conversion was fair and not dilutive to the interests of ordinary or C shareholders. The calculation date for the conversion of the C Shares into ordinary shares was 31 August 2023, and the conversion ratio of 0.7601 ordinary shares for each C Share was announced on 7 September 2023. The C share conversion took place on 8 September 2023 with 532,069,905 new ordinary shares being admitted to trade on 12 September 2023.

Borrowings

The Company's approach to borrowings is noted within the Investment Policy detailed on page 37.

There were no borrowings as at 31 January 2025.

Performance

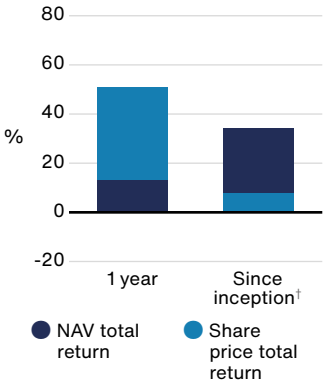
At each Board meeting, the Directors consider a number of performance measures to assess the Company's success in achieving its objectives. The performance measures on page 40 are up to 31 January 2025.

Key performance indicators

The Board uses key performance indicators (KPIs) to measure the progress and performance of the Company over time when discharging its duties as set out on page 73. These KPIs are established industry measures.

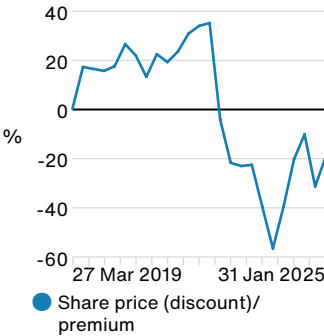
Share price and net asset value total returns*

Commentary on the Company’s performance is provided in the Chairperson’s statement and Investment Manager’s review.



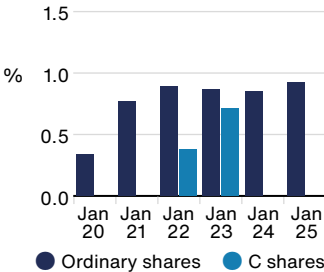
Share price (discount)/premium since inception*

As stock markets and share prices vary, an investment company's share price is rarely the same as its NAV. When the share price is lower than the NAV per share it is said to be trading at a discount. If the share price is higher than the NAV per share, this situation is called a premium. The discount narrowed significantly over the year to 31 January 2025.



Ongoing charges ratio*

The ongoing charges ratio is the total recurring expenses (excluding the Company’s cost of dealing in investments) incurred by the Company as a percentage of the daily average net asset value.



The Investment Manager seeks to generate a net return for the Company of approximately three times invested capital over rolling 10-year periods, measured on the basis of NAV total return. The Board reviews progress towards this aim and also reviews performance against peer group investment companies and other growth orientated investment trusts. Across these measures, the Board looks for relative outperformance over the long term, while remaining mindful that the nature of the investment policy and the growth characteristics of the portfolio investments may entail periods of underperformance over the short and medium term. The Board continues to monitor the Company’s progress and performance. Further commentary is provided in the Chairperson’s statement on pages 06 to 08.

† First day of trading on 27 March 2019.
* Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on page 115 and 116.
The C shares were issued in April 2021 and converted to ordinary shares on 8 September 2023 (see page 39).
Past performance is not a guide to future performance.

Principal and emerging risks

As explained on pages 64 and 65, there is a process for identifying, evaluating and managing the risks, including emerging risks, faced by the Company on a regular basis. The Directors have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. A description of these risks and how they are being managed or mitigated is set out in the table below.

Investment and strategic risk

Liquidity of investments

What is the risk?

The Company's investments are predominantly in private investee companies or companies which have recently completed an IPO. Such investments may not be liquid or may have restrictions on sale or transfer of shares. This may limit the Company's ability to realise investments at short notice or at all.

How is it managed?

By diversification of the portfolio, in accordance with the Company's investment limits and risk diversification policies.

Rating and change



Current assessment of risk

Risk Level: Moderate
Stable: The Company has not seen any significant impact on underlying liquidity of investments, however, the economic climate, in a continuation of trends observed in the previous year, has continued to depress IPO activity.

Market, economic, political and environmental risks

What is the risk?

From time to time a large proportion of the total value of the Company's portfolio could be concentrated in a limited number of investee companies, which could be adversely affected by an unexpected change in their markets, by governmental intervention or by a reputational issue. This could have a material impact on the overall value of the Company's portfolio and consequential adverse effects on the Company's share price.

How is it managed?

The Board assesses this risk by considering, at each meeting, metrics which have contributed to performance as well as discussion with the portfolio managers on specific conditions which the underlying investee companies face. This risk is also managed by the Company's investment diversification policy.

Rating and change



Current assessment of risk

Risk Level: High
Increasing: This risk is considered to be increasing as governments and consumers around the world continue to assess the impact of heightened geopolitical tensions and conflicts as well as challenging macroeconomic conditions.



High Risk



Moderate Risk



Low Risk



Increasing Risk




Decreasing Risk




Stable Risk


Valuation risk

What is the risk?	How is it managed?	Rating and change	Current assessment of risk
<p>The Company invests in late stage private businesses which are valued in accordance with International Private Equity and Venture Capital Valuation ('IPEV') Guidelines using appropriate valuation methods. Such methods include an element of judgement which may lead to a material mis-statement of the valuation and consequently of the Company's net asset value.</p>	<p>The Investment Manager has a robust valuation methodology, which is applied consistently. The Investment Manager's valuation process revalues each of the private company investments every 3 months and additional valuations are carried out in response to trigger events to ensure the investments are carried at fair value. The valuation process is overseen by the Private Companies Valuations Group at Baillie Gifford which is independent from the portfolio managers and which takes advice from an independent third party (S&P Global). The valuations are subject to review and challenge by the Board every 6 months and are subject to scrutiny annually by the external Auditor.</p>		<p>Risk Level: Moderate</p> <p>Stable: This risk is seen as stable. In periods of market volatility the Private Company Valuations Group will perform trigger analyses and, if appropriate, revalue the affected investments, as described in the report on page 31.</p>

Investment strategy risk


What is the risk?	How is it managed?	Rating and change	Current assessment of risk
<p>Pursuing an investment strategy to fulfil the Company's objective which the market perceives to be unattractive or inappropriate, or ineffective implementation of the Company's investment strategy, may lead to reduced returns for shareholders and, as a result, decreased demand for the Company's shares. This may lead to the Company's shares trading at a widening discount to their net asset value.</p>	<p>The Board regularly reviews and monitors the Company's investment policy and strategy, the investment portfolio and its performance, the level of discount/premium to net asset value at which the shares trade and movements in the share register. A strategy meeting is also held annually. In addition, the Investment Manager keeps in close contact with key shareholders and provides regular feedback to the Board.</p>		<p>Risk Level: High</p> <p>Increasing: The risk is seen as increasing as the market's appetite for direct or indirect investment in growth stocks is reduced due to ongoing macroeconomic and geopolitical concerns.</p>


Discount risk


What is the risk?	How is it managed?	Rating and change	Current assessment of risk
<p>The discount/premium at which the Company's shares trade relative to its net asset value can change. Such an imbalance can diminish the attractiveness of the Company's shares to existing investors and lead to a lack of liquidity in the Company's share trading.</p>	<p>The Board monitors the level of discount/premium at each Board meeting. The Company has authorities in place to buy back or issue shares, when deemed to be in the best interests of the Company and its shareholders.</p>		<p>Risk Level: High</p> <p>Decreasing: The discount narrowed over the year to 31 January 2025. The Directors continue to buy back shares when it is deemed to be in the best interests of the Company and its shareholders.</p>

 High Risk

 Moderate Risk

 Low Risk

 Increasing Risk

 Decreasing Risk

 Stable Risk

Climate and governance risk

What is the risk?

Perceived problems on environmental, social and governance ('ESG') matters in an investee company could lead to that company's shares being less attractive to investors, adversely affecting its share price, in addition to potential valuation issues arising from any direct impact of the failure to address the ESG weakness on the operations or management of the investee company (for example in the event of an industrial accident or spillage). Repeated failure by the Investment Manager to identify ESG weaknesses in investee companies could lead to the Company's own shares being less attractive to investors, adversely affecting its own share price. In addition, the valuation of investments could be impacted by climate change due to climate-related operational challenges, changes in end demand or failure to identify a pathway to Net Zero.

How is it managed?

This is mitigated by the Investment Manager's ESG stewardship and engagement policies, which are integrated into the investment process, as well as the extensive upfront and ongoing due diligence which the Investment Manager undertakes on each investee company. This includes the risk inherent in climate change (see page 66).

Rating and change



Current assessment of risk

Risk Level: Moderate
Stable: The Investment Manager continues to employ strong ESG stewardship and engagement policies.

External risks

Political and associated economic risk

What is the risk?

Global political changes resulting in policy changes in areas in which the Company invests or may invest may have practical consequences for the Company and impact financial performance.

How is it managed?

Political developments and other social trends are closely monitored by the Board and are regularly discussed at Board meetings.

Rating and change



Current assessment of risk

Risk Level: High
Increasing: This risk is increasing as governments and consumers around the world continue to assess the impact of ongoing conflicts and global economic and political tensions.



High Risk



Moderate Risk



Low Risk



Increasing Risk



Decreasing Risk



Stable Risk

Legal and regulatory risk

What is the risk?

Changes to the regulatory environment could negatively impact the Company. Failure to comply with applicable legal, regulatory and tax requirements could lead to suspension of the Company's Stock Exchange listing, financial penalties, a qualified Audit Report or the Company being subject to tax on capital gains.

How is it managed?

To mitigate this risk, Baillie Gifford's Business Risk, Internal Audit and Compliance Departments provide regular reports to the Audit Committee on Baillie Gifford's monitoring programmes. The Administrator provides regular compliance reports to the Audit Committee to confirm the relevant Guernsey submissions are made to protect the legal and tax status of the Company. Major regulatory change could impose disproportionate compliance burdens on the Company. In such circumstances representation is made to ensure that the special circumstances of investment companies are recognised. Shareholder documents and announcements, including the Company's published Interim and Annual Report and Financial Statements, are subject to stringent review processes and procedures are in place to ensure adherence to the Transparency Rules and the Market Abuse Regulations with reference to inside information.

Rating and change



Current assessment of risk

Risk Level: Low
Stable: All control procedures are deemed to be working effectively. There have been no material regulatory changes that have occurred during the year.

Operational risks

Performance and reliance on third party service providers

What is the risk?

In common with most other investment companies the Company has no direct employees and relies entirely for its operations on third party service providers. Failure of the Investment Manager's systems or those of another service provider, such as the Custodian and Depositary, could lead to an inability to accurately report or lead to a misappropriation of assets.

How is it managed?

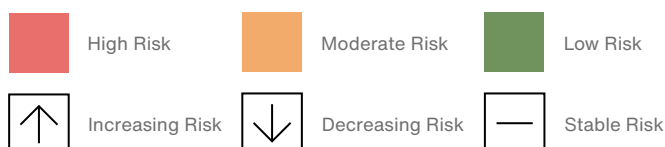
The Audit Committee receives six monthly reports from the Investment Manager's Business Risk Department on their monitoring programme of internal controls. The Audit Committee also receives ISAE 3402 or equivalent reports on the Investment Manager and other service providers. These reports are reviewed by Baillie Gifford's Business Risk Department and a summary of the key points is reported to the Audit Committee and any concerns are investigated.

Rating and change



Current assessment of risk

Risk Level: Low
Stable: All control procedures are deemed to be working effectively. Portfolio management and all regulatory and administrative tasks have continued uninterrupted during the year.



Cyber security threats

What is the risk?

Errors, fraud or control failures by the Company's key service providers or loss of data through increasing cyber threats or business continuity interruptions could damage the Company's reputation or investors' interests or result in losses.

How is it managed?

The Audit Committee receives confirmation that key service providers have appropriate cyber/IT policies to ensure that controls are in place including business continuity and disaster recovery arrangements.

Rating and change



Current assessment of risk

Risk Level: Moderate
Increasing: This risk is seen as increasing due to recent indications that the continuation of geopolitical tensions could lead to more cyber attacks. Emerging technologies, including AI, could potentially increase information security risks. In addition, service providers operate a hybrid approach of remote and office working, thereby increasing the potential of a cyber security threat.

Key professionals

What is the risk?

Loss of key professionals, particularly in relation to the Investment Manager could impact the Company's ability to implement its investment strategy.

How is it managed?

The Board reviews the Investment Manager's performance annually as well as the resources of the Investment Manager for attracting and retaining talent.

Rating and change



Current assessment of risk

Risk Level: Low
Stable: All procedures are satisfactory.

Emerging risks

As explained on pages 64 to 65 the Board has regular discussions on principal risks and uncertainties, including any risks which are not an immediate threat but could arise in the longer term. Emerging risks are considered under the categories noted above rather than included as discrete risks.



High Risk



Moderate Risk



Low Risk



Increasing Risk



Decreasing Risk



Stable Risk

Viability statement

In accordance with the requirements of the AIC Code that the Directors assess the prospects of the Company over a defined period, the Board has evaluated the long-term prospects of the Company beyond the twelve-month time horizon assumption within the going concern framework, taking account of the longer-term investment strategy of the Company. Details of how that assessment has been undertaken are set out below.

The Board undertakes a robust risk assessment of the principal and emerging risks facing the Company, as detailed on pages 41 to 45, but believes that a sudden or prolonged downturn in global economies is the most significant risk facing the Company. Such a downturn could significantly affect valuations of the Company's investments and its net asset value as well as impacting liquidity since the Company may not be able to realise its investments at a reasonable price. The Board believes the Company would still be viable during such a downturn, since it does not have any long-term gearing obligations which might require immediate repayment nor has it any obligation to pay dividends. The Company also holds a well-diversified portfolio of investments in various industries in order to minimise the impact of any economic shock. Specific liquidity testing was conducted during the year, including consideration of the risk of further market volatility resulting from increasing geopolitical tensions. The stress testing did not indicate any matters of concern.

Since the Company outsources its operations to third parties, the viability of the Company could be impacted if a service provider was unable to provide or withdrew its services. None of the third party service providers have experienced any significant operational difficulties which affected the services they provide to the Company. In addition, the Board considers outsourced third party service providers could be replaced at relatively short notice where necessary.

Finally, the Investment Manager monitors closely the Company's cash requirements to meet ongoing fees and expenses and expects to maintain around 2% of its assets in cash or near cash to meet these obligations. At 31 January 2025, the Company held cash, cash equivalents and US treasury bills amounting to US\$83.5 million. These liquid assets could sustain the Company's annual operating expenses for the year, including the management fee of US\$9.6 million, for at least 7 years. The Company also has liquid listed investments of US\$290.8 million which could be sold should the need arise.

As a result of this analysis, the Board believes the Company can effectively manage the principal and emerging risks and uncertainties and remains confident that the Company will be able to continue in operation, and does not envisage any change in strategy, objectives or events that would prevent the Company from operating over a period of at least five years.

In determining the period of assessment, the Directors consider that five years is appropriate given the continued reduced rate of deployment of capital over the last year and when valuing the underlying companies we would normally look to a medium term. The Company has an even longer-term time horizon when applying its investment strategy of 10 years, however, projecting longer-term financial and economic scenarios presents difficulties and therefore making five years the period of assessment is considered more appropriate.

Relations with Stakeholders

Although the Company is domiciled in Guernsey, the Board has considered the guidance set out in the AIC Code in relation to section 172 of the Companies Act 2006 in the UK. Section 172 of the Companies Act requires that the Directors of a Company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole and in doing so have regard (amongst other matters and to the extent applicable) to:

- a. the likely consequences of any decision in the long term;
- b. the interests of the Company's employees;
- c. the need to foster the Company's business relationships with suppliers, customers and others;
- d. the impact of the Company's operations on the community and the environment;
- e. the desirability of the Company maintaining a reputation for high standards of business conduct; and
- f. the need to act fairly between stakeholders of the Company.

In this context and having regard to Schiehallion being an externally managed investment company with no employees, the Board considers that the Company's key stakeholders are its existing and potential new shareholders, its externally-appointed Investment Manager, Baillie Gifford & Co Limited, and other service providers (Administrator, Corporate Broker, Registrar, Auditor, Custodian and Depository), as well as wider society and the environment.

The Board considers that the Company's key stakeholders are aligned, in terms of wishing to see the Company deliver sustainable long-term growth, in line with the Company's stated objective and strategy, and meet the highest standards of legal, regulatory, and commercial conduct, with the

differences between stakeholders being merely a matter of emphasis on those elements.

The Board's methods for assessing the Company's progress in the context of its stakeholders' interests are set out below.

Stakeholder	Why we engage	How we engage and what we do
Shareholders	Shareholders are, collectively, the Company's owners: providing them with a return for their investment in accordance with the Company's investment policy and objective is the reason for its existence.	The Board places great importance on communication with shareholders. The Annual General Meeting provides an opportunity for the Board and Investment Manager to present to shareholders on the Company's performance, future plans and prospects. It also allows shareholders the opportunity to meet with the Board and Investment Manager and raise questions and concerns. The Chairperson and Senior Independent Director are available to meet with shareholders as appropriate and met with major shareholders during the year. The Investment Manager meets regularly with shareholders and their representatives, reporting their views back to the Board. Directors also attend certain shareholder presentations, in order to gauge shareholder sentiment first hand. Shareholders may also communicate with members of the Board at any time by writing to them at the Company's registered office or to the Company's broker. These communication opportunities help inform the Board when considering how best to promote the success of the Company for the benefit of all shareholders over the long term.
Baillie Gifford, Investment Manager and Alter Domus, Administrator and Secretaries	The Company's Board has delegated the management of the Company's portfolio to Baillie Gifford and the administration of the Company's operations including fulfilment of regulatory and taxation reporting requirements to Alter Domus. Baillie Gifford and Alter Domus are therefore responsible for the substantial activities of the Company and have the most immediate influence on its conduct towards the other stakeholders, subject to the oversight and strategic direction provided by the Board.	The Board seeks to engage with its Investment Manager, Administrator and other service providers in a collaborative and collegiate manner, encouraging open and constructive discussion and debate, while also ensuring that appropriate and regular challenge is brought and evaluation conducted. This approach aims to enhance service levels and strengthen relationships with the Company's providers, with a view to ensuring the interests of the Company's shareholders are best served by keeping cost levels proportionate and competitive, and by maintaining the highest standards of business conduct.
Portfolio companies	As all of the Company's operations are conducted by third party professional providers, it is the companies held in its investment portfolio which have the primary real-world impact in terms of social and environmental change, both positively and negatively, as well as generating, through their commercial success, the investment growth sought by the Company's shareholders. The investee companies have an interest in understanding their shareholders' investment rationale in order to assure themselves that long-term business strategies will be supported.	The Board is cognisant of the need to consider the impact of the Company's investment strategy and policy on wider society and the environment. The Board considers that its oversight of environmental, social and governance ('ESG') matters is an important part of its responsibility to all stakeholders. The Board's review of the Investment Manager includes an assessment of their ESG approach and its application in making investment decisions. The Board reviews Governance Engagement reports, which document the Investment Manager's interactions with investee companies on ESG matters (see pages 15 to 18). The portfolio managers regularly report to the Board on discussions with portfolio companies on operational and strategic matters.
Broker	The Company's brokers provide an interface between the Company's Board and its institutional shareholders.	The Company's brokers regularly attend Board meetings, and provide reports to those meetings, in order to keep the Board apprised of shareholder and wider market sentiment regarding the Company. They also arrange opportunities for shareholders to meet the Chairperson outside the normal general meeting cycle.

Stakeholder	Why we engage	How we engage and what we do
Registrar	The Company's registrars provide an interface with those shareholders who hold the Company's shares directly.	The Investment Manager liaises with the registrars to ensure the frequency and accuracy of communications to shareholders is appropriate, and monitor shareholder correspondence to ensure that the level of service provided by the registrar is acceptable. The Investment Manager's risk function reviews the registrar's internal controls report and reports on the outcome of this review to the Board.
Auditor	The Company's Auditor has a responsibility to provide an opinion on whether the Company's Financial Statements present a true and fair view of the state of affairs of the Company and its profit or loss for the period, and as a whole are free from material misstatement, as set out in more detail in the Auditor's report to the Members on page 75.	The Company's Auditor meets with the Audit Chair and the Board, in the absence of the Investment Manager where deemed necessary, and the Investment Manager, Company Secretary and Administrator undertake to provide all information requested by the Auditor in connection with the Company's annual audit promptly and to ensure that it is complete and accurate in all respects.
Depository and Custodian	The depository is responsible for the safekeeping of the Company's financial instruments, as set out in more detail on page 55.	The Depository provides the Audit Committee with a report on its monitoring activities. The Investment Manager's Business Risk team reviews the relevant Bank of New York Mellon internal controls report and reports any relevant matters to the Audit Committee. The Board and Investment Manager seeks to engage with the Depository and Custodian in a collaborative and collegiate manner, encouraging open and constructive discussion and debate, while also ensuring that appropriate and regular challenge is brought and evaluation conducted. This approach aims to enhance service levels and strengthen relationships, with a view to ensuring the interests of the Company's shareholders are best served by keeping cost levels proportionate and competitive, and by maintaining the highest standards of business conduct.
AIC/industry peers	The Association of Investment Companies ('AIC') and the Company's investment trust industry peers have an interest in the Company's conduct and performance, as adverse market sentiment towards one investment trust can affect attitudes towards the wider industry.	The Company is a member of the AIC, and the Directors and or the Investment Manager and Secretaries (as appropriate) participate in technical reviews, requests for feedback on proposed legislation or regulatory developments, corporate governance discussions and/or training.
Investment platforms	Investment platforms provide an interface with shareholders who invest in the Company indirectly.	The Investment Manager liaises with the various investment platforms on strategies for improving communications with the Company's shareholders who hold their shares via these platforms. An annual timetable of key dates is published on the Company's website, for the ease of reference of such shareholders.
Wider society and the environment	<p>No entity, corporate or otherwise, can exist without having an influence on the society in which it operates or utilising the planet's resources. Through its third-party relationships, as noted above, the Company seeks to be a positive influence and, in circumstances where that is not possible, to mitigate its negative impacts insofar as is possible.</p> <p>The primary real-world impact of the Company's operations are through the companies held in its investment portfolio – please refer to 'Portfolio companies' section above.</p>	The Board and Investment Manager's interactions with the various stakeholders as noted above form the principal forms of direct engagement with wider society and in respect of the environment (commercial, financial, and in terms of planetary health and resources).

Stakeholder	Why we engage	How we engage and what we do
Regulatory bodies	Engagement with regulatory bodies is important to ensure effective compliance with law and regulation. Failure to maintain good relations with regulatory bodies, or comply with relevant law and regulation, could lead to penalties and damage the Company's reputation. Regulatory risk can be mitigated by making representations to regulators regarding the specific circumstances of investment companies.	The Investment Manager engages regularly with the Financial Reporting Council ('FRC') and where required the Guernsey Financial Services Commission ('GFSC') and reports to the Board.

The Board recognises the importance of keeping the interests of the Company's shareholders, and of acting fairly towards them, firmly front of mind in its key decision making and the Investment Manager is at all times available to the Board to ensure that suitable consideration is given to the range of factors to which the Directors should have regard.

In addition to ensuring that the Company's stated investment objective was being pursued, key decisions and actions during the year which have required the Directors to have regard to applicable section 172 factors include:

- The annual evaluation of the Board as a whole and its committees (see page 64 for further information);
- The annual evaluation of all service providers and review of their remuneration; and
- The decision to buy back 5,160,000 ordinary shares at a discount to net asset value enhancing the NAV for continuing shareholders.

Employees, human rights and community issues

The Board recognises the requirement to provide information about employees, human rights and community issues. As the Company has no employees, all its Directors are non-executive and all its functions are outsourced, there are no disclosures to be made in respect of employees, human rights and community issues.

Gender and ethnic representation

At 31 January 2025, the Board comprises four Directors, two of whom are women, including the Chairperson who is from an ethnic minority background, and two men. The Company has no employees. The Board's policy on diversity is set out on page 63.

Environmental, social and governance policy

Details of the Company's policy on socially responsible investment can be found under Corporate governance and stewardship on page 66.

The Company makes efforts to hold board meetings virtually and provide reports digitally, to limit non-essential travel and usage of paper. All publicly available documentation produced is made available digitally.

The Company considers that it does not fall within the scope of the Modern Slavery Act 2015 ('the Act') and it is not, therefore, obliged to make a slavery and human trafficking statement. In any event, the Company considers its supply chains to be of low risk as its suppliers are typically professional advisers. A statement by the Investment Manager under the Act has been published on the Investment Manager's website at [baillieghifford.com](https://www.baillieghifford.com).

Future developments of the company

The outlook for the Company for the next twelve months is set out in the Chairperson's statement on pages 06 to 08 and the Investment Manager's review on pages 09 to 13.

The Strategic report, which includes pages 06 to 49 was approved by the Board of Directors and signed on its behalf on 25 March 2025.

Dr Linda Yueh CBE
Chairperson

Governance report

This Governance report, which includes pages 51 to 73 outlines the Board's approach to the governance of your Company. We believe that good governance builds better outcomes and we are committed to high standards of corporate governance and transparency.

Directors and management

Directors



Dr Linda Yueh CBE

Chairperson

Appointed 2019

Dr Linda Yueh was appointed a Director and Chairperson on 4 January 2019 and is also Chairperson of the Nomination Committee. Dr Linda Yueh is an experienced board director, academic economist and adviser on economic policy. Dr Yueh is a fellow in economics at St Edmund Hall, University of Oxford and adjunct professor of economics at London Business School.

Dr Yueh was visiting professor at the LSE and visiting professor of economics at Peking University. Dr Yueh is a Member of the UK Soft Power Council and was an adviser to the UK Board of Trade as well as a member of the Ring-fencing and Proprietary Trading Independent Review Panel for the UK government. She is chair of the Royal Commonwealth Society and a trustee of the Fidelity UK Foundation and Fidelity International Foundations. She is also a non-executive director of Rentokil Initial PLC, SEGRO PLC and Standard Chartered PLC. She was previously senior independent director of Fidelity China Special Situations PLC and a non-executive director of Baillie Gifford's flagship Scottish Mortgage Investment Trust PLC and JPMorgan Asian Growth and Income PLC. In The King's New Year Honours List of 2023, Dr Yueh was awarded a CBE for services to economics.



John Mackie CBE

Director

Appointed 2019

Mr John Mackie was appointed a Director on 4 January 2019 and is also the Senior Independent Director. Following an early career in retail management, Mr Mackie went to the University of Glasgow as a mature student and then qualified as a chartered accountant with Arthur Andersen & Co in Glasgow. He then spent five years with 3i Group before joining Morgan Grenfell Private Equity in 1990 as a founder director. Mr Mackie was made a director of Morgan Grenfell & Co in 1993. From 2000 to 2006, Mr Mackie was chief executive of the British Venture Capital Association and was a partner in Parallel Private Equity LLP until 2011. He was, until 2013, chairman of Henderson Private Equity Investment Trust PLC, until 2014, a director of Baronsmead VCT PLC and, until September 2018, the senior independent director at Mithras Investment Trust PLC. Mr Mackie is currently a partner in Mithras Capital Partners LLP and chairman of the advisory boards at Amadeus and Angels Seed Fund and Amadeus IV Early Stage Fund. In the 2006 New Years Honours list he was awarded a CBE for services to business.



Trudi Clark
Director
Appointed 2019

Ms Trudi Clark was appointed a Director on 4 January 2019 and is also Chairperson of the Audit Committee. Ms Clark graduated in business studies and qualified as a chartered accountant with Robson Rhodes in Birmingham before moving to Guernsey in 1987. In Guernsey she joined KPMG, where she was responsible for an audit portfolio including some of the major financial institutions in Guernsey. After 10 years in public practice, Ms Clark was recruited by the Bank of Bermuda as head of European internal audit, later moving into corporate banking.

In 1995 she joined Schroders in the Channel Islands as CFO and was promoted in 2000 to banking director and in 2003 to managing director. From 2006 to 2009, Ms Clark established a family office, specialising in alternative investments. From 2009 to 2018 she returned to public practice specialising in corporate restructuring services. Since 2018, Ms Clark has held a portfolio of non-executive directorships, she is the audit chair of Taylor Maritime Investments and a non-executive director of NB Private Equity Partners Ltd where she is a member of the audit committee and chairs the remuneration, nomination and management engagement committees. Ms Clark also holds a personal fiduciary licence issued by the GFSC and acts as non-executive director and consultant to one high net worth family.



Richard Holmes
Director
Appointed 2021

Mr Richard Holmes was appointed a Director on 2 September 2021. Mr Holmes completed a BSc in Economics at London School of Economics and then a Masters at Warwick University. He worked in various marketing roles at Unilever in London, Paris and Milan from 1983 to 1995. He then moved to Boots Plc where he was marketing director and launched the Boots Advantage Card and set up Boots.com. In 2007, he moved to Guernsey to join the board of Specsavers Optical Group as group marketing director. He retired from full time work in 2018. He currently holds various non-executive positions, including Moorfields Eye Hospital and Citizens Advice Guernsey.

All the Directors are members of the Audit Committee with the exception of Dr Yueh. All Directors are members of the Nomination Committee.

Investment Manager

The Company has appointed Baillie Gifford & Co Limited, a wholly-owned subsidiary of Baillie Gifford & Co, as Investment Manager and as Alternative Investment Fund Manager (the 'Investment Manager' or 'Baillie Gifford'). Baillie Gifford and Co Limited has delegated portfolio management services to Baillie Gifford Overseas Limited. Baillie Gifford & Co is an investment management firm formed in 1927 out of the legal firm Baillie & Gifford, WS which had been involved in investment management since 1908.

Baillie Gifford is one of the largest investment trust managers in the UK and, as well as Schiehallion, currently manages twelve investment trusts together with investment portfolios on behalf of pension funds, charities and other institutional clients, both in the UK and overseas. Funds under management or advice of Baillie Gifford totalled around £206 billion as at 21 March 2025.

Based in Edinburgh it is one of the leading privately-owned investment management firms in the UK, with 58 partners.

Baillie Gifford has a dedicated Private Companies investment team of 10 investors. In addition, Baillie Gifford has a further 12 investors who research and invest in both private and public companies. Baillie Gifford's Private Company investors are supported by a team of specialist deal lawyers, valuation analysts and other operational staff to ensure that the investments are monitored at all stages from pre-buy to ongoing relations with the companies.

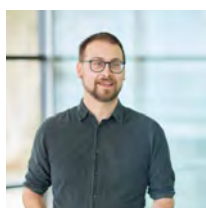
Baillie Gifford & Co Limited, Baillie Gifford & Co and Baillie Gifford Overseas Limited are all authorised and regulated by the Financial Conduct Authority.



Peter Singlehurst

Portfolio Manager

Peter is the Head of Private Companies at Baillie Gifford. He joined the firm in 2010 and became a partner in 2022. He graduated BA in Philosophy, Politics and Economics in 2008 and MA in Philosophy in 2009, both from the University of Durham.



Robert Natzler

Deputy Manager

Robert joined the firm in 2015 and is an investment manager in the Private Companies Team. He graduated BA (Hons) in Philosophy, Politics and Economics from the University of Oxford in 2014.

Directors' report

The Directors present their report together with the audited Financial Statements of the Company for the year to 31 January 2025.

Listing status

Since the Company's ordinary shares were admitted to trading on the Specialist Fund Segment of the London Stock Exchange, a regulated market, on 27 March 2019, the Company is subject to the Prospectus Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the London Stock Exchange's Admission and Disclosure Standards.

Corporate governance

The Corporate Governance report is set out on pages 60 to 66 and forms part of this report.

Investment Manager

The Company has appointed Baillie Gifford & Co Limited as its Investment Manager (the 'Investment Manager' or 'Baillie Gifford'). As the entity appointed to be responsible for risk management and portfolio management, the Investment Manager has also been appointed as the Company's Alternative Investment Fund Manager ('AIFM'). Baillie Gifford & Co Limited has delegated portfolio management services to Baillie Gifford Overseas Limited. The Investment Management Agreement is terminable on not less than six months' notice. Compensation fees would only be payable in respect of the notice period if termination by the Company were to occur within a shorter notice period. Under the terms of the Investment Management Agreement and with effect from the date the Company's ordinary shares were admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange, the Investment Manager is entitled to an annual fee of: 0.9% on the net asset value excluding cash or cash equivalent assets up to and including US\$650 million; 0.8% on the net asset value excluding cash or cash equivalent assets exceeding US\$650 million up to and including US\$1.3 billion; and 0.7% on the net asset value excluding cash or cash equivalent assets exceeding US\$1.3 billion. Management fees are calculated and payable quarterly.

The Board is of the view that calculating the fee with reference to performance would be unlikely to exert a positive influence on performance.

The Board as a whole fulfils the functions of the Management Engagement Committee. The Board considers the Company's investment management arrangements and administration arrangements (detailed below) on a continuing basis and a formal review is conducted at least annually.

The Board considers, amongst others, the following topics in its review:

- the quality of the personnel assigned to handle the Company's affairs;
- the investment process and the results achieved to date; and
- the administrative services provided by the Investment Manager.

Following the most recent review, it is the opinion of the Directors that the continuing appointment of Baillie Gifford & Co Limited as Investment Manager and AIFM and the delegation of the portfolio management services to Baillie Gifford Overseas Limited, on the terms agreed, is in the interests of the Company and the shareholders as a whole due to the strength of the investment management team, the Investment Manager's commitment to the investment funds sector and the quality of the administrative function.

Administrator

Alter Domus (Guernsey) Limited has been appointed as Administrator, Secretary and Designated Manager of the Company (the 'Administrator'). The Administrator is responsible for certain aspects of the day-to-day administration and general secretarial functions of the Company in conjunction with the Investment Manager (including but not limited to the maintenance of the Company's statutory records).

The Administrator is entitled to receive a fixed annual fee of £79,990 (exclusive of goods and services tax), payable quarterly in arrears. This fee is subject to an annual increase in line with Guernsey RPI. The Administrator is also entitled to reimbursement of reasonable costs, expenses and disbursements properly incurred.

Depositary

In accordance with the Alternative Investment Fund Managers Directive, the AIFM must appoint a Depositary to the Company. The Bank of New York Mellon (International) Limited has been appointed as the Company's Depositary. The Depositary's responsibilities include cash monitoring, safe keeping of the Company's financial instruments, verifying ownership and maintaining a record of other assets and monitoring the Company's compliance with investment limits and leverage requirements. The custody function is also undertaken by The Bank of New York Mellon (International) Limited.

Directors

The names and biographical details of the Board members who served on the Board as at the year end and up to the date the Financial Statements were signed can be found on pages 51 and 52. The Corporate Governance Code requires that all Directors be subject to annual election by shareholders. As a result, the Directors will retire at the Annual General Meeting on 22 May 2025 and offer themselves for re-election. Following a formal performance evaluation, the Chairperson confirms that the Board members consider that their performance continues to be effective and that they remain committed to the Company. The Board therefore recommends their re-election to shareholders.

Director indemnification and insurance

The Company has entered into qualifying third-party deeds of indemnity in favour of each of its Directors. The deeds, which were in force during the year ended 31 January 2025 and up to the date of approval of this Report, cover any liabilities that may arise to a third party, other than the Company, for negligence, default or breach of trust or duty. The Directors are not indemnified in respect of liabilities to the Company, any regulatory or criminal fines, any costs incurred in connection with criminal proceedings in which the Director is convicted or civil proceedings brought by the Company in which judgement is given against him/her. In addition, the indemnity does not apply to any liability to the extent that it is recovered from another person.

The Company maintains Directors' and Officers' liability insurance.

Conflicts of interest

Directors must inform the Chairperson in advance of any changes to their commitments and interests. Each Director submits a list of potential conflicts of interest at each Board meeting. The Board considers these carefully, taking into account the circumstances surrounding them when deciding whether or not the potential conflicts should be authorised.

Having considered the lists of potential conflicts, there were no situations which gave rise to a direct or indirect interest of a Director which conflicted with the interests of the Company.

Dividends

The ordinary shares carry a right to receive dividends. Given the nature of the Company's investments, the Company does not expect to pay dividends in the foreseeable future. If any dividends or distributions are made, they will at all times be subject to compliance with the solvency test prescribed by Guernsey law.

Share capital

Capital structure

The Company's capital structure, as at 31 January 2025, consisted of 1,024,738,907 ordinary shares of US\$1 each (2024 – 1,029,898,907 ordinary shares of US\$1 each). The shares are subject to transfer restrictions and forced transfer provisions for investors in the United States and certain other jurisdictions.

Capital entitlement

On a winding up, after meeting the liabilities of the Company, the surplus assets of the respective share classes will be paid to shareholders in proportion to their respective shareholdings.

Voting

Each shareholder present in person or by proxy is entitled to one vote on a show of hands and, on a poll, to one vote for every share held.

Restrictions on voting apply to those shareholders who are subject to restrictions under the United States Bank Holding Company Act of 1956 (BHCA restricted holder) and may apply to those shareholders who are pension plans subject to section 11 of Schedule III to the Pension Benefits Standards Regulations, 1985 (Canada) (CPP Certifying Shareholder). It is recommended that each shareholder give consideration to the Company's Articles of Incorporation and their rights thereunder when considering whether they may be subject to restricted voting rights.

Information on the deadlines for proxy appointments can be found on pages 108 to 110.

Major interests disclosed in the Company's shares

Name	No. of ordinary shares held at 31 January 2025	% of issue
Florida Retirement System Trust Fund (Direct)	190,900,000	18.6
Baillie Gifford & Co (Indirect)	101,543,085	9.9
RBC Canadian Master Trust (Indirect)	84,000,772	8.2

The number of ordinary shares listed above is calculated using the latest TR 1 filings for the ordinary shares.

There have been no other changes to the major interests in the Company's shares intimated up to 21 March 2025.

Directors' interests

The Directors are not required to hold shares in the Company. The Directors at the end of the year under review, and their interests in the Company are shown in the following table. There have been no changes intimated in the Directors' interests up to 21 March 2025.

	Nature of interest	Ordinary shares held at 31 January 2025
L Yueh	Beneficial	44,573
J Mackie	Beneficial	91,278
T Clark	Beneficial	60,808
R Holmes	Beneficial	54,801

Issuance of shares and share buybacks

By way of a special resolution dated 15 March 2019 the Directors had a general authority to allot up to 720 million ordinary shares or C shares, such figure to include the ordinary shares issued at the initial placing. 477,250,000 ordinary shares were issued at the Company's initial placing, with a further 23,180,002 ordinary shares subsequently issued. The Company had the ability to issue a further 219,569,998 ordinary shares under this authority which expired on 15 March 2024.

At the Annual General Meeting held on 10 May 2024 the Directors were granted shareholders' approval to disapply the pre-emption rights in respect of the issue of up to 102,882,390 ordinary shares or C shares or the sale of 102,882,390 ordinary shares or C shares held as treasury shares of the Company for a period concluding immediately prior to the Annual General Meeting of the Company to be held in 2029 (or, if earlier, five years from the date of passing such shareholders' resolution).

At the last Annual General Meeting, the Company was granted authority to purchase up to 154,145,753 ordinary shares (equivalent to 14.99% of its issued share capital at 10 May 2024), such authority to expire at the 2025 Annual General Meeting.

In the year to 31 January 2025, no ordinary shares were issued (2024 – nil) and over the period from 1 February 2025 to 21 March 2025, no ordinary shares were issued. 5,160,000 shares were bought back during the year ended 31 January

2025 for US\$4,246,000 (2024 – 2,601,000 shares bought back for US\$1,851,000) and in the period from 1 February 2025 to 21 March 2025 a further 2,750,000 shares were bought back for US\$2,959,000.

465,000 shares were held in treasury at 31 January 2025 (31 January 2024 – nil). At 21 March 2025 3,215,000 shares were held in treasury.

Annual General Meeting

The Notice of Annual General Meeting is on pages 105 to 107. An outline of certain resolutions being proposed is provided below.

Resolution 9 – Market purchases of shares by the Company

The Directors are seeking shareholders' approval at the 2025 Annual General Meeting to renew the authority to make market purchases of up to 153,196,137 ordinary shares representing approximately 14.99% of the Company's ordinary shares in issue as at 21 March 2025, being the latest practicable date prior to publication of this document (or, if less, up to 14.99% of the ordinary shares in issue (excluding treasury shares) on the date on which the resolution is passed), such authority to expire at the Annual General Meeting of the Company to be held in 2026.

Share buybacks may be made principally:

- i. to enhance net asset value for continuing shareholders by purchasing shares at a discount to the prevailing net asset value; and
- ii. to address any imbalance between the supply of and the demand for the Company's shares that results in a discount of the quoted market price to the published net asset value per share.
- iii. as a capital allocation decision due to discount levels.

The Company may hold bought back shares in treasury and then:

- i. sell such shares (or any of them) for cash; or
- ii. cancel the shares (or any of them).

Shares will only be re-sold from treasury at a premium to net asset value per ordinary share.

In accordance with the UK Listing Rules, the maximum price (excluding expenses) that may be paid on the exercise of the authority must not exceed the higher of:

- i. 5% above the average closing price on the London Stock Exchange of an ordinary share over the five business days immediately preceding the date of purchase; and
- ii. an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out.

The minimum price (exclusive of expenses) that may be paid will be the nominal value of an ordinary share. Purchases of shares will be made within guidelines established, from time to time, by the Board.

Resolution 10 – Adoption of New Articles of Incorporation

Resolution 10 of the Notice of Annual General Meeting, which will be proposed as a special resolution, seeks shareholder approval for the adoption of new Articles of Incorporation (the 'New Articles'). As permitted by section 153(2) of The Companies (Guernsey) Law, 2008, the Board is proposing to amend article 122(5) of the existing Articles of Incorporation so as to allow the Directors (acting in their entire discretion) to determine the location of board meetings rather than, as is currently the case, the location of the meeting being deemed to take place from where the Chairperson participates at the start of the meeting.

A summary of these amendments being introduced in the New Articles is set out in the appendix to the Notice of AGM (see page 110).

Recommendation

The Board considers each resolution being proposed at the Annual General Meeting to be in the best interests of the Company and its shareholders as a whole and it unanimously recommends that all shareholders vote in favour of them.

Financial instruments

The Company's financial instruments comprise its investment portfolio, US Treasury Bills, cash balances and debtors and creditors that arise directly from its operations such as sales and purchases awaiting settlement and accrued income. The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in note 16 to the Financial Statements.

Articles of Incorporation

The Company's Articles of Incorporation may only be amended by special resolution at a general meeting of shareholders.

Disclosure of information to Auditor

The Directors confirm that so far as each of the Directors is aware there is no relevant audit information of which the Company's Auditor is unaware and the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Independent Auditor

The Auditor, KPMG Channel Islands Limited, appointed upon the Company's incorporation, is willing to continue in office. Resolutions concerning KPMG Channel Islands Limited's reappointment and remuneration will be submitted to the Annual General Meeting.

Greenhouse gas emissions and Streamlined Energy and Carbon Reporting ('SECR')

All of the Company's activities are outsourced to third parties. The Company therefore has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic report and Directors' reports) Regulations 2013. For the reasons set out above, the Company considers itself to be a low energy user and, therefore, is not required to disclose energy and carbon information under the SECR regulations.

Bribery

The Company has a zero tolerance policy towards bribery and is committed to carrying out business fairly, honestly and openly. The Investment Manager also adopts a zero tolerance approach and has policies and procedures in place to prevent bribery.

Tax evasion

The Company has a commitment to zero tolerance towards the criminal facilitation of tax evasion.

Subsequent events

The Directors confirm that there have been no events after the reporting date which require adjustment of, or disclosure in, the Financial Statements or notes thereto up to 25 March 2025.

On behalf of the Board
Dr Linda Yueh CBE
Chairperson
25 March 2025

Corporate governance report

The Board is committed to achieving and demonstrating high standards of corporate governance. The Board has taken note of the Code of Corporate Governance issued by the Guernsey Financial Services Commission (the 'Guernsey Code'). The Guernsey Code provides a governance framework for GFSC licensed entities, authorised and collective investment schemes. Companies reporting in compliance with the UK Corporate Governance Code (the 'UK Code') or The Association of Investment Companies Code of Corporate Governance (the 'AIC Code') are deemed to satisfy the provisions of the Guernsey Code. This statement outlines how the principles of the AIC Code were applied throughout the financial year ended 31 January 2025. The Company intends to comply with the AIC Code for the year ended 31 January 2026. The AIC Code can be found at theaic.co.uk.

Compliance

The Board confirms that the Company has complied throughout the year under review with the relevant provisions and recommendations of the AIC Code with the exception that the Company does not have a separate internal audit function as explained on page 68.

The Board

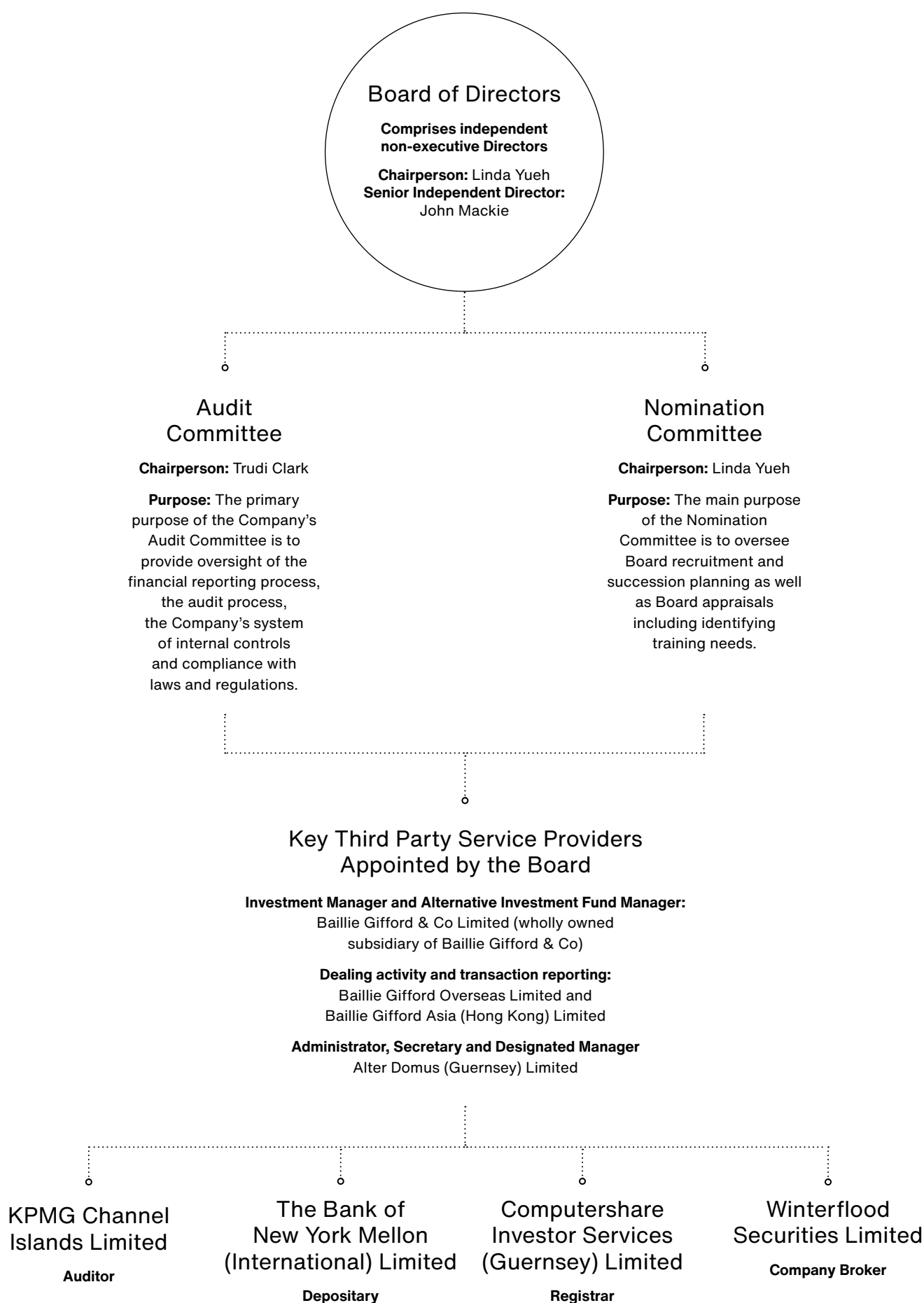
The Board has overall responsibility for the Company's affairs. It has a number of matters formally reserved for its approval including strategy, investment policy, currency hedging, gearing, treasury matters, dividend and corporate governance policy. A separate strategy session is held annually. The Board also reviews the Financial Statements, investment transactions, and performance of the Company. Full and timely information is provided to the Board to enable the Board to function effectively and to allow Directors to discharge their responsibilities.

As at 31 January 2025 the Board comprised four Directors all of whom are non-executive. The Chairperson, Dr Linda Yueh, is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda. The Board reviews its composition annually.

The executive responsibilities for investment management have been delegated to the Company's Alternative Investment Fund Manager ('AIFM'), Baillie Gifford & Co Limited, and in the context of a Board comprising entirely Non-Executive Directors, there is no chief executive officer. Mr John Mackie is the Company's Senior Independent Director ('SID'). Mr Mackie is available to shareholders if they have concerns not properly addressed by the Chairperson. The SID leads the Chairperson's appraisal.

The Directors believe that the Board has a balance of skills and experience which enable it to provide effective strategic leadership and proper governance of the Company. Information about the Directors, including their relevant experience, can be found on pages 51 and 52.

There is an agreed procedure for Directors to seek independent professional advice if necessary at the Company's expense.



Appointments to the Board

The terms and conditions of Directors’ appointments are set out in formal letters of appointment which are available for inspection on request.

Under the provisions of the Company’s Articles of Incorporation, a Director appointed during the period is required to retire and seek election by shareholders at the next Annual General Meeting. In accordance with the principles of the AIC Code, all Directors will offer themselves for re-election annually.

The reasons why the Board supports the re-election of the Directors are set out on page 55. Directors are not entitled to any termination payments in relation to their appointment.

Independence of Directors

All of the Directors are considered by the Board to be independent of the Investment Manager and the Administrator and free of any business or other relationship which could interfere with the exercise of their independent judgement.

The Directors recognise the importance of succession planning for company boards and review the Board composition annually. The Board is of the view that length of service will not necessarily compromise the independence or contribution of Directors of an investment company, where continuity and experience can be a benefit to the Board.

Following formal performance evaluation, the Board considers that each Director continues to be independent in character and judgement and his/her skills and experience were a significant benefit to the Board.

Chairperson and Directors’ tenure

The Nomination Committee has considered the question of tenure for directors, noting the provisions in the AIC Code, and has concluded that there should not be a set maximum time limit for a Chairperson or Director to serve on the Board. The Nomination Committee keeps under review the balance of skills, knowledge, experience, performance and length of service of the Directors ensuring the Board has the right combination of skills and preservation of knowledge and experience balanced with the appointment of new Directors bringing in fresh ideas and perspective.

Meetings

There is an annual cycle of Board meetings which is designed to address, in a systematic way, overall strategy, review of investment policy, investment performance, premium/discount, dividend policy and communication with shareholders. The Board considers that it meets sufficiently regularly to discharge its duties effectively. The following table shows the attendance record for the core Board and Committee meetings held during the year ended 31 January 2025 (various additional meetings were also held).

Directors’ attendance at meetings

	Board	Audit Committee	Nomination Committee †	Board valuations meeting
Number of meetings	4	3	2	2
L Yueh*	4	3	1	2
J Mackie	4	3	2	2
T Clark	4	3	2	2
R Holmes	4	3	2	2

* Dr Yueh is not a member of the Audit Committee but has attended all meetings by invitation.

† An additional Nomination Committee was held in September 2024 in the absence of the Chairperson to discuss the significant vote against the re-election of the Chairperson at the 2024 Annual General Meeting due to concerns regarding her number of directorships. A review was undertaken and the Committee remains satisfied that Dr Yueh is capable of devoting sufficient time to the Company. There have been no significant changes to Dr Yueh's other commitments since 31 January 2024. Her total number of mandates from her directorships continues to comply with the UK Corporate Governance Code.

Nomination Committee

The Nomination Committee consists of the whole Board and the Chairperson of the Board is Chairperson of the Committee. The Committee meets on an annual basis and at such other times as may be required. The Committee has written terms of reference which include reviewing the composition of the Board, identifying and nominating new candidates for appointment to the Board, Board appraisal, succession planning and training. The Committee also considers whether Directors should be recommended for re-election by shareholders. The Committee is responsible for considering Directors’ potential conflicts of interest and for making recommendations to the Board on whether or not the potential conflicts should be authorised.

The Committee’s terms of reference are available on request from the Company and on the Company’s website: schiehallionfund.com.

Diversity

Appointments to the Board are made on merit with due regard for the benefits of diversity including gender, social and ethnic backgrounds and cognitive and personal strengths. The priority in succession planning and appointing new Directors is to identify the candidates with the best range of skills and experience to complement existing Directors.

The Board will not display any bias for age, gender, race, sexual orientation, religion, ethnic or national origins, disability or socioeconomic background in considering the appointment of its Directors. It is the Board's policy to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment.

The Board currently complies with the UK Listing Rules diversity targets. The Board will endeavour to remain compliant with diversity targets in the future but notes that an orderly succession plan can, when implemented thoughtfully and having regard to the best interests of the Company and its shareholders, take a significant period of time to develop and may result in periods when the diversity targets are not met.

Board composition

In order to fulfil its obligations, the Board recognises the importance of having a range of skilled and experienced Directors, balancing the benefits of length of service and knowledge of the Company with the desirability of ensuring regular refreshment of the Board. The Board reviews its composition annually.

The disclosures below are provided in respect of the UK Listing Rules targets that: i) 40% of a board should be women; ii) at least one senior role should be held by a woman; and iii) at least one board member should be from a non-white ethnic background, as defined by the Office of National Statistics criteria. As an externally managed investment company with no chief executive officer or chief financial officer, the roles which qualify as senior under FCA guidance are Chair and Senior Independent Director ('SID'). The Board also considers the Audit Committee Chair to represent a senior role within this context (the Audit Committee Chair is not recognised as a senior position under the FCA guidance and therefore is not reflected in the numerical disclosures below. The Audit Committee Chair is a woman). The Board has resolved that the Company's year end date is the most appropriate date for disclosure purposes.

The composition of the Board is fifty percent female, including the Chairperson who is from a minority ethnic background, which complies with the targets outlined in the UK Listing Rules. The Board further includes one Director with a registered disability.

All recruitment for new Board members will be through the use of an external recruitment agency, which will be engaged to undertake the selection of a list of suitable candidates for consideration and approval by the Board. The external recruitment agency will be asked to put forward candidates with the desired skill set and also with a diverse range of characteristics. The Board will take the Listing Rule diversity targets and any other best practice matters into account when determining the appropriateness of a candidate and final appointment.

Board gender identity as at 31 January 2025

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board *
Men	2	50%	1
Women	2	50%	1
Prefer not to say	-	-	-

Board ethnic background as at 31 January 2025

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board *
White British or other White (including minority-white groups)	3	75%	1
Asian/Asian British	1	25%	1
Prefer not to say	-	-	-

* The Board Chairperson and SID, being senior positions in accordance with the UK Listing Rules. The Board also considers the Audit Committee Chair to be a senior position (not reflected in these disclosures). The Audit Committee Chair is a woman.

Performance evaluation

An appraisal of the Chairperson, each Director and a performance evaluation and review of both the Board as a whole and of the individual Committees was carried out by the Nomination Committee during the year. After inviting each Director and the Chairperson to consider and respond to an evaluation questionnaire, the performance of each Director was appraised by the Chairperson and the Chairperson's appraisal was led by Mr Mackie the Company's Senior Independent Director.

The appraisals and evaluations considered, amongst other criteria, the balance of skills of the Board, training and development requirements, the contribution of individual Directors and the overall effectiveness of the Board and its Committees.

Following the process, it was concluded that the performance of each Director, the Chairperson, the Board and its Committees continues to be effective and each Director, including the Chairperson, remains committed to the Company.

A review of the Chairperson's and other Directors' commitments was carried out and the Nomination Committee is satisfied that they are capable of devoting sufficient time to the Company. There were no significant changes to the Chairperson's other commitments during the year ended 31 January 2025.

Induction and training

New Directors are provided with an induction programme which is tailored to the particular circumstances of the appointee. During the year ended 31 January 2025, briefings on industry and regulatory matters were provided to the Board by the Investment Manager and Administrator. Directors receive other relevant training as necessary.

Remuneration

As all the Directors are non-executive, there is no requirement for a separate Remuneration Committee. Directors' fees are considered by the Board as a whole within the limits approved by shareholders. The Company's policy on remuneration is set out in the Directors' remuneration report on pages 70 to 72.

Audit Committee

The report of the Audit Committee is set out on pages 67 to 69.

Internal controls and risk management

The Directors acknowledge their responsibility for the Company's risk management and internal controls systems and for reviewing their effectiveness. The systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board confirms that there is a continuing process for identifying, evaluating and managing the significant risks faced by the Company in accordance with the FRC 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting'.

The practical measures in relation to the design, implementation and maintenance of control policies and procedures to safeguard the Company's assets and to manage its affairs properly, including the maintenance of effective operational and compliance controls have been delegated to the Investment Manager and Administrator.

The Board oversees the functions delegated to the Investment Manager and Administrator and the controls managed by the AIFM in accordance with the Alternative Investment Fund Managers Directive (as detailed below). Baillie Gifford & Co's Internal Audit and Compliance Departments and the AIFM's permanent risk function provide the Audit Committee with regular reports on their monitoring programmes. The reporting procedures for these departments are defined and formalised within a service level agreement. Baillie Gifford & Co conducts an annual review of its system of internal controls which is documented within an internal controls report which complies with ISAE 3402 – Assurance Reports on Controls at a Service Organisation. This report is independently reviewed by Baillie Gifford & Co's auditor and a copy is submitted to the Audit Committee.

A report identifying the principal and emerging risks faced by the Company and the key controls employed to manage these risks is reviewed by the Audit Committee at each Audit Committee meeting.

These procedures ensure that consideration is given regularly to the nature and extent of risks facing the Company and that they are being actively monitored. Where changes in risk have been identified during the period they also provide a mechanism to assess whether further action is required to manage these risks.

The Directors confirm that they have reviewed the effectiveness of the Company's risk management and internal controls systems which accord with the FRC 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' and they have procedures in place to review their effectiveness on a regular basis. No significant weaknesses were identified in the year under review and up to the date of this Report.

The Board confirms that these procedures have been in place throughout the Company's financial year and continue to be in place up to the date of approval of this Report.

To comply with the Alternative Investment Fund Managers Directive, The Bank of New York Mellon (International) Limited acts as the Company's Depositary and Baillie Gifford & Co Limited as its AIFM.

The Depositary's responsibilities include cash monitoring, safe keeping of the Company's financial instruments, verifying ownership and maintaining a record of other assets and monitoring the Company's compliance with investment limits and leverage requirements. The Depositary is liable for the loss of financial instruments held in custody. The Depositary will ensure that any delegate segregates the assets of the Company. The Company's Depositary also acts as the Company's Custodian. The Custodian prepares reports on its key controls and safeguards which are independently reviewed by KPMG LLP. The reports are reviewed by Baillie Gifford's Business Risk Department and a summary of the key points is reported to the Audit Committee and any concerns are investigated.

The Depositary provides the Audit Committee with a report on its monitoring activities.

The AIFM has established a permanent risk management function to ensure that effective risk management policies and procedures are in place and to monitor compliance with risk limits. The AIFM has a risk management policy which covers the risks associated with the management of the portfolio, and the adequacy and effectiveness of this policy is reviewed and approved at least annually. This review includes the risk management processes and systems and limits for each risk area.

The risk limits, which are set by the AIFM and approved by the Board, take into account the objectives, strategy and risk profile of the portfolio. These limits, including leverage (see page 112) are monitored and the sensitivity of the portfolio to key risks is undertaken periodically as appropriate to ascertain the impact of changes in key variables in the portfolio. Exceptions from limits monitoring and stress testing undertaken by Baillie Gifford's Business Risk Department are escalated to the AIFM and reported to the Board along with any remedial measures being taken.

Going concern

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern.

In undertaking this review the Board has considered the Company's principal risks and uncertainties, as set out on pages 41 to 45, and in particular considered the impact of heightened market volatility due to macroeconomic and geopolitical concerns. Liquidity stress testing has been carried out and having done so the Board does not believe the Company's going concern status is affected.

The Company maintains sufficient cash balances to enable it to meet its liabilities as they fall due. In managing the Company's assets, the Investment Manager will seek to ensure that the Company holds at all times a proportion of assets that is sufficiently liquid to enable it to discharge its payment obligations.

Accordingly, the Financial Statements have been prepared on the going concern basis as it is the Directors' opinion, having assessed the principal and emerging risks and other matters set out in the Viability Statement on page 46 which assesses the prospects of the Company over a period of five years, that the Company will continue in operational existence for a period of at least twelve months from the date of approval of these Financial Statements.

Relations with shareholders

The Board places great importance on communication with shareholders. The Company's Investment Manager meets regularly with shareholders and their representatives and reports shareholders' views to the Board. The Chairperson and Senior Independent Director are available to meet with shareholders as appropriate. Shareholders wishing to communicate with any member of the Board may do so by writing to them at the Company's registered office or through the Company's broker, Winterflood Securities Limited (see contact details on page 117).

The Company's Annual General Meeting provides a forum for communication with all shareholders. These communication opportunities help inform the Board when considering how best to promote the success of the Company for the benefit of all shareholders over the long term. The level of proxies lodged for each resolution will be announced at the Annual General Meeting and will be published on the Company's website [schiehallionfund.com](https://www.schiehallionfund.com) subsequent to the meeting. Shareholders and potential investors may obtain up-to-date information on the Company at [schiehallionfund.com](https://www.schiehallionfund.com).

Corporate governance and stewardship

The Company believes that it is in the shareholders' interests to consider environmental, social and governance ('ESG') factors when selecting and retaining investments and has asked the Investment Manager to take these issues into account as long as the investment objectives are not compromised. The Investment Manager does not exclude companies from its investment universe purely on the grounds of ESG factors but adopts a positive engagement approach whereby matters are discussed with management with the aim of improving the relevant policies and management systems and enabling the Investment Manager to consider how ESG factors could impact long-term investment returns. The Investment Manager's statement of compliance with the UK Stewardship Code can be found on the Investment Manager's website at [bailliegifford.com](https://www.bailliegifford.com). The Investment Manager's policy has been reviewed and endorsed by the Board. The Company's approach to ESG is set out on pages 15 to 17. The Investment Manager has considered the Sustainable Finance Disclosure Regulation ('SFDR') and further details can be found on page 114.

The Company has given discretionary voting powers to Baillie Gifford & Co. The Investment Manager votes against resolutions it considers may damage shareholders' rights or economic interests.

The Investment Manager, Baillie Gifford & Co, are signatories to the United Nations Principles for Responsible Investment and the CDP and is also a member of the Asian Corporate Governance Association and International Corporate Governance Network.

Climate change

The Board recognises that climate change poses a serious threat to our environment, our society and to economies and companies around the globe. Addressing the underlying causes is likely to result in companies that are high emitters of carbon facing greater societal and regulatory scrutiny and higher costs to account for the true environmental impact of their activities. The Investment Manager's pursuit of long-term growth opportunities typically involves investment in entrepreneurial, disruptive and technology-driven businesses. These companies are often capital-light with a low carbon footprint. The Investment Manager believes that carbon footprint metrics in isolation are unhelpful. As 72.9% of the Company's net assets are in private companies there is insufficient data available to calculate the carbon intensity of the portfolio.

The Company's Task Force on Climate-Related Financial Disclosures ('TCFD') Climate Report is available on the Company's website at [schiehallionfund.com](https://www.schiehallionfund.com). This report is a means by which the portfolio's carbon footprint and exposure to climate risk are measured and reported. Companies disclosing their emissions and communicating emissions plans will be a helpful place from which to begin more useful discussions with management teams, industry experts and regulators.

On behalf of the Board
Dr Linda Yueh CBE
Chairperson
25 March 2025

Audit Committee report

The Company's Audit Committee is chaired by Ms Trudi Clark, and meets twice a year or more often if required. Ms Clark is a Chartered Accountant. The Board considers that the members of the Audit Committee have the requisite financial skills and experience to fulfil the responsibilities of the Audit Committee. The Committee consists of all the Directors, except for Dr Yueh. Although not a member of the Committee, Dr Yueh was invited to and attended all the Committee's meetings during the year.

The Committee's authority and duties are clearly defined within its written terms of reference which are available on request from the Administrator and on the Company's website at [schiehallionfund.com](https://www.schiehallionfund.com). The terms of reference are reviewed annually.

The Committee's effectiveness is reviewed on an annual basis as part of the Board's performance evaluation process.

At least once a year the Committee meets with the external Auditor without any representative of the Investment Manager being present.

Main activities of the Committee

KPMG Channel Island Limited ('KPMG') attended two Audit Committee meetings held during the year along with the meeting held on 21 March 2025 to approve the Annual Report and Financial Statements. Baillie Gifford & Co's Internal Audit and Compliance Departments and the AIFM's permanent risk function provided reports on their monitoring programmes at both meetings held during the year.

The matters considered, monitored and reviewed by the Committee covering the year ended 31 January 2025 include the following:

- the interim results announcement and the Interim Report;
- the Company's accounting policies and practices and the implementation of the Investment Manager's Valuation Policy for investments in private companies;
- the regulatory changes impacting the Company;
- the fairness, balance and understandability of the Annual Report and Financial Statements and whether it provided the information necessary for shareholders to assess the Company's performance, business model and strategy;

- the effectiveness of the Company's internal control environment;
- appointment/reappointment, remuneration and terms of engagement of the external Auditor;
- the policy on the engagement of the external Auditor to supply non-audit services;
- the independence and objectivity of the external Auditor;
- the need for the Company to have its own internal audit function;
- internal controls reports received from the Investment Manager and Custodian; and
- the arrangements in place within the Investment Manager and Administrator whereby their staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

Internal audit

The Committee continues to believe that the compliance and internal controls systems and the internal audit function in place within the Investment Manager provides sufficient assurance that a sound system of internal control, which safeguards shareholders' investment and the Company's assets, is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

Financial reporting

The Committee considers that the most significant area of risk likely to impact the Financial Statements is the valuation of private company investments as they represent 72.9% of the Company's net assets and since the valuation of these investments requires the use of estimates, assumptions and judgements.

Private company investments

The Committee reviewed the Investment Manager's valuation approach for investments in private companies (as described in note 1(e) on page 85) and approved the valuations of the private company investments following a detailed review of the valuation of each investment and relevant challenge where appropriate.

The Investment Manager agreed the holdings in certificated form to confirmations from the Company's Custodian and holdings of uncertificated private company investments were agreed to confirmations from the relevant investee companies.

Listed investments

Investments in quoted securities have market prices which are readily available from independent external pricing sources. The Committee reviewed the Investment Manager's Report on Internal Controls which details the controls in place regarding the recording and pricing of investments.

The Investment Manager agreed the prices of all the listed investments at 31 January 2025 to external price sources and the holdings were agreed to confirmations from the Company's Custodian or Transfer Agent.

Other matters

The Committee reviewed the Investment Manager's Report on Internal Controls which details the controls in place regarding the complete and accurate recording of investment income.

At the meeting held on 25 March 2025, the Investment Manager and external Auditor confirmed to the Committee that they were not aware of any material misstatements in the context of the Financial Statements as a whole and that the Financial Statements are in accordance with applicable law and accounting standards.

Internal controls and risk management

The Committee reviewed the effectiveness of the Company's risk management and internal controls systems as described on pages 64 and 65. No significant weaknesses were identified in the period under review.

External auditor

To fulfil its responsibility regarding the independence of the external Auditor, the Committee reviewed:

- the Auditor's audit strategy for the financial year ended 31 January 2025 which included a report from the Auditor describing their arrangements to manage auditor independence and received confirmation of their independence; and

- the extent of non-audit services provided by the external Auditor. There were no non-audit services provided by the external Auditor in the year to 31 January 2025. The non-audit fees in the previous year to 31 January 2024 paid to KPMG Channel Islands Limited were for providing procedural services related to the conversion of the Company's C shares. The fees charged for these services were US\$21,000 (see note 4 on page 88). The Committee does not believe this impaired the Auditor's independence and confirmed the services provided are permitted under the non-audit services policy of the Company.

To assess the effectiveness of the external Auditor, the Committee had detailed discussions with audit personnel to challenge audit processes and deliverables.

To fulfil its responsibility for oversight of the external audit process the Committee considered and reviewed:

- the Auditor's engagement letter;
- the Auditor's proposed audit strategy;
- the audit fee; and
- a report from the Auditor on the conclusion of the audit.

KPMG Channel Islands Limited was appointed as the Company's Auditor, by the Directors, upon the Company's incorporation. The audit partner responsible for the audit is to be rotated at least every five years in accordance with professional and regulatory standards in order to protect independence and objectivity and to provide fresh challenge to the business. Mr Barry Ryan is the lead audit partner and has held the role for one year and will continue as audit partner until the conclusion of the 2029 audit.

KPMG Channel Islands Limited has confirmed that it believes it is independent within the meaning of regulatory and professional requirements and that the objectivity of the audit partner and staff is not impaired.

The Committee is satisfied that the Auditor is independent and effective for the purposes of this year's audit.

There are no contractual obligations restricting the Committee's choice of external Auditor.

Accountability and audit

The respective responsibilities of the Directors and the Auditor in connection with the Financial Statements are set out on pages 73 to 79.

On behalf of the Board
Ms Trudi Clark
Audit Committee Chairperson
25 March 2025

Directors' remuneration report

Statement by the Chairperson

The Directors' remuneration policy is subject to shareholder approval every three years or sooner if an alteration to the policy is proposed. The remuneration policy, which is set out below, was last approved at the Annual General Meeting in May 2023 and no changes are proposed to the policy at the Annual General Meeting to be held in 2025.

Directors' fees are increased in line with inflation annually. A resolution to amend the aggregate limit for Directors' fees will be put to shareholders as and when required.

Directors' remuneration policy

The Board is composed wholly of non-executive Directors, none of whom has a service contract with the Company. There is no separate remuneration committee and the Board as a whole considers changes to Directors' fees from time to time.

The Board's policy is that the remuneration of Directors should be set at a reasonable level that is commensurate with the duties and responsibilities of the role and consistent with the requirement to attract and retain Directors of the appropriate quality and experience. The Board believes that the fees paid to the Directors should reflect the experience of the Board as a whole, be fair and should take account of the level of fees paid by comparable investment companies. Baillie Gifford & Co Limited provides comparative information when the Board considers the level of Directors' fees. The Board also receives advice from independent companies, for instance, Trust Associates, which produces an annual report on Directors' fees for the sector. Any views expressed by shareholders on the fees being paid to Directors will be taken into consideration by the Board when reviewing the Board's policy on remuneration.

Non-executive Directors are not eligible for any other remuneration or benefits apart from the reimbursement of allowable expenses. There are no performance conditions relating to Directors' fees and there are no long-term incentive schemes or pension schemes. There is no notice period and no compensation is payable on loss of office.

Limits on Directors' remuneration

The fees for the non-executive Directors are payable quarterly in arrears and are determined within the limit set out in the Company's Articles of Incorporation, which is currently £430,000 per annum in aggregate. Any change to this limit requires shareholder approval by way of an ordinary resolution. The limit was last increased at the 2024 Annual General Meeting to provide flexibility to allow for an increase in the number of Directors should the Board believe it to be appropriate as part of its long-term succession planning.

The basic and additional annual fees payable to Directors in respect of the year to 31 January 2025 and the expected fees payable in respect of the year ending 31 January 2026 are set out in the following table. The fees payable to the Directors in the subsequent financial periods are subject to annual increases in line with inflation.

Statement of voting at Annual General Meeting

At the Annual General Meeting held on 12 May 2023, being the last date at which the the Directors' remuneration policy was tabled for approval by the shareholders, of the proxy votes received 96.7% were in favour, 3.3% were against and no votes were withheld.

	Expected fees per annum for year ending 31 January 2026 £	Fees for the year ended 31 January 2025 £
L Yueh (Chairperson)	94,350	90,300
J Mackie (Senior Independent Director)	75,450	72,200
T Clark (Audit Committee Chairperson)	78,900	75,500
R Holmes	62,900	60,200
D Chiswell*	–	13,712
	311,600	311,912
Total aggregate annual fees that can be paid to the Directors in any year under the Directors' Remuneration Policy, as set out in the Company's Articles of Incorporation	430,000	430,000

* D Chiswell resigned from the Board on 22 April 2024.

Annual report on remuneration

An ordinary resolution for the approval of this report will be put to the members at the forthcoming Annual General Meeting.

Directors' remuneration for the year

The Directors who served during the year ended 31 January 2025 received the following remuneration in the form of fees and benefits. This represents the entire remuneration paid to the Directors.

Name	For the year ended 31 January 2025		For the year ended 31 January 2024	
	Fees £	Total £	Fees £	Total £
L Yueh (Chairperson)	90,300	90,300	90,300	90,300
J Mackie (Senior Independent Director)	72,200	72,200	72,200	72,200
D Chiswell (resigned 22 April 2024)	13,712	13,712	60,200	60,200
T Clark (Audit Committee Chairperson)	75,500	75,500	75,500	75,500
R Holmes	60,200	60,200	60,200	60,200
	311,912	311,912	358,400	358,400

* No other remuneration or compensation was paid or is payable by the Company during the period to any of the Directors, other than travel expenses of US\$12,000 (2024 – US\$9,000).

Annual percentage change in remuneration

This represents the annual percentage change in the entire remuneration paid to the Directors.

Name	% from 2024 to 2025	% from 2023 to 2024	% from 2022 to 2023	% from 2021 to 2022	% from 2020 to 2021
L Yueh	nil	9.4	43.8	27.5	(1.1)
J Mackie	nil	9.4	50.5	33.3	nil
D Chiswell*	nil	9.4	36.0	–	–
T Clark	nil	9.4	48.3	32.9	(5.7)
R Holmes*	nil	9.4	36.0	–	–
Total Directors' remuneration	nil	9.4	80.5†	60.7†	(2.3)

* R Holmes and D Chiswell were appointed to the Board on 2 September 2021. D Chiswell resigned from the Board on 22 April 2024. The fees for Directors who were in service for part of an accounting period have been annualised in order to provide the above annual percentage change.

† Total Directors' remuneration percentage change is greater than the increases at individual Director level as it reflects the change in overall Directors' remuneration and is not adjusted for appointments/retirements.

Relative importance of spend on pay

The table below shows the actual expenditure (fees and benefits) during the year in relation to Directors' remuneration and distributions to shareholders.

Name	2025 US\$'000	2024 US\$'000	Change %
Directors' remuneration	312	358	(12.8)
Share buybacks	4,246	1,851	129.4

Directors' service details

Name	Date of appointment	Due date for re-election
L Yueh	4 January 2019	AGM in 2025
J Mackie	4 January 2019	AGM in 2025
T Clark	4 January 2019	AGM in 2025
R Holmes	2 September 2021	AGM in 2025

Approval

The Report on remuneration on pages 70 to 72 was approved by the Board of Directors and signed on its behalf on 25 March 2025.

Dr Linda Yueh CBE
Chairperson

Statement of Directors' responsibilities

in respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- assess the Company's ability to continue as a going concern, disclosing as applicable, matters relating to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its Financial Statements comply with the Companies (Guernsey) Law, 2008.

They are responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Guernsey governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Responsibility Statement of the Directors in Respect of the Annual Report and Financial Statements

We confirm to the best of our knowledge:

- the Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Strategic report includes a fair review of the development and performance of the business and the position of the issuer, together with a description of the principal risks and uncertainties they face.

We consider the Annual Report and Financial Statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board
Dr Linda Yueh CBE
25 March 2025

Notes

The following notes relate to financial statements published on a website and are not included in the printed version of the Annual Report and Financial Statements:

- The maintenance and integrity of the Baillie Gifford & Co website is the responsibility of Baillie Gifford & Co; the work carried out by the auditors does not involve consideration of these matters and accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Financial report

The Financial Statements for the year to 31 January 2025 set out on pages 80 to 83 together with the accompanying notes on pages 84 to 103 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Independent Auditor's report

to the members of The Schiehallion Fund Limited

Our opinion is unmodified

We have audited the financial statements of The Schiehallion Fund Limited (the "Company"), which comprise the statement of financial position as at 31 January 2025, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Company as at 31 January 2025, and of the Company's financial performance and cash flows for the year then ended;
- are prepared in accordance with International Financial Reporting Standards; and
- comply with the Companies (Guernsey) Law, 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as required by the Crown Dependencies' Audit Rules and Guidance. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Key audit matters: our assessment of the risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matter was as follows (unchanged from 2024):

	The risk	Our response
<p>Valuation of private company investments</p> <p>US\$ 999,607,000 (2024 – US\$ 869,709,000)</p> <p>Refer to the Audit Committee Report on pages 67 to 69 of the Annual Report, note 1 (d), 1 (e), 7 and 16 of the financial statements</p>	<p>Basis:</p> <p>The Company's investments are classified, recognised and measured at fair value through profit or loss in accordance with IFRS 9. Private company investments represent 73% of the Company's net assets as at 31 January 2025.</p> <p>The directors review and challenge the valuation of private company investments proposed by Baillie Gifford & Co Limited (the 'Investment Manager'). The Investment Manager's investment valuation policy applies techniques consistent with the International Private Equity and Venture Capital Valuation ('IPEV') Guidelines 2022. In assessing fair value the Investment Manager considers information provided by their independent third party valuation firm (the 'Valuation Agent').</p> <p>Risk:</p> <p>The valuation of the Company's private company investments is a significant risk area of our audit, given that they represent a significant portion of the net assets of the Company.</p> <p>The valuation of the Company's private company investments incorporates a risk of error given the significance of estimates and judgements that may be involved in the determination of their fair value.</p> <p>On the basis of the above we determined that the valuation of private company Investments have a high degree of estimation uncertainty giving rise to a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements disclose in note 16 the sensitivities estimated by the Company.</p>	<p>Our audit procedures included but were not limited to:</p> <p>Internal Controls:</p> <p>We evaluated the design and implementation of the controls in place in relation to the valuation of the Company's private company investments.</p> <p>The Investment Manager and Valuation Agent's valuation reports</p> <ul style="list-style-type: none"> • we held discussions with the Investment Manager and Valuation Agent and attended, in an observation capacity, a meeting of the Board of Directors of the Company, to understand the valuation approach; • we assessed the scope of the services provided by the Valuation Agent and read the private company valuation reports prepared by them together with the private company investment valuation memoranda produced by the Investment Manager; and • we assessed the objectivity, capability and competence of the Valuation Agent <p>Challenging management's assumptions and inputs including use of our KPMG valuation specialist:</p> <p>For a risk-based sample of private company investments, with the support of our KPMG valuation specialist, we:</p> <ul style="list-style-type: none"> • assessed the reasonableness and appropriateness of the valuation approach and methodology applied; • benchmarked the assumptions used in the valuations to observable market data; • obtained an understanding of how the impact of global economic factors and the resultant increase in uncertainty have been reflected in the valuations; and • corroborated material investee company inputs and recent investment transactions used in the valuations to supporting documentation. <p>Assessing disclosures:</p> <p>We also considered the Company's disclosures (see notes 1 (d) and 16) in relation to the use of estimates and judgements relating to the valuation of private company investments and the Company's investment valuation policies adopted in note 1 (e) and fair value disclosures in note 7 for compliance with International Financial Reporting Standards.</p>

Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at \$27,400,000, determined with reference to a benchmark of net assets of \$1,369,957,000, of which it represents approximately 2.0% (2024: 2.0%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality for the Company was set at 75% (2024: 75%) of materiality for the financial statements as a whole, which equates to \$20,550,000. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding \$1,370,000, in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas as detailed above.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (the "going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to affect the Company's financial resources or ability to continue operations over this period was the availability of capital to meet operating costs and other financial commitments.

We considered whether this risk could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from this risk against the level of available financial resources indicated by the Company's financial forecasts.

We considered whether the going concern disclosure in note 1 (a) to the financial statements gives a full and accurate description of the directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the the Company's ability to continue as a going concern for the going concern period; and
- we found the going concern disclosure in the notes to the financial statements to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Company's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Company's revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations. As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or impacts on the Company's ability to operate. We identified financial services regulation as being the area most likely to have such an effect, recognising the regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to

enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

We have nothing to report on other matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 73, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members, as a body

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Barry Ryan

For and on behalf of KPMG Channel Islands Limited
Chartered Accountants and Recognised Auditors
Guernsey
25 March 2025

Statement of comprehensive income

For the year ended 31 January

	Notes	2025 Revenue US\$'000	2025 Capital US\$'000	2025 Total US\$'000	2024 Revenue US\$'000	2024 Capital US\$'000	2024 Total US\$'000
Gains on investments	7	–	158,543	158,543	–	69,768	69,768
Currency gains		–	15	15	–	75	75
Income	2	7,509	–	7,509	8,211	–	8,211
Investment management fee	3	(9,562)	–	(9,562)	(8,152)	–	(8,152)
Other administrative expenses	4	(1,956)	–	(1,956)	(1,263)	–	(1,263)
Operating profit/(loss) before taxation		(4,009)	158,558	154,549	(1,204)	69,843	68,639
Tax on ordinary activities	10	–	517	517	–	(834)	(834)
Profit/(loss) and total comprehensive income/(loss) for the year attributable to ordinary shareholders		(4,009)	159,075	155,066	(1,204)	69,009	67,805
Earnings/(loss) per ordinary share		(0.39¢)	15.49¢	15.10¢	(0.12¢)	6.69¢	6.57¢

The total column of this statement represents the Statement of Comprehensive Income 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.

The accompanying notes on pages 84 to 103 are an integral part of the Financial Statements.

Statement of financial position

As at 31 January

	Notes	2025 US\$'000	2025 US\$'000	2024 US\$'000	2024 US\$'000
Non-current assets					
Investments held at fair value through profit or loss	7		1,290,450		1,043,781
Current assets					
US Treasury Bills	16	77,334		167,522	
Cash and cash equivalents	16	6,118		11,306	
Debtors	8	1,427		1,743	
		84,879		180,571	
Current liabilities					
Amounts falling due within one year	9	(5,055)		(4,381)	
Net current assets			79,824		176,190
Non-current liabilities					
Amounts falling due after more than one year:					
Provision for tax liability	10		(317)		(834)
Net assets			1,369,957		1,219,137
Capital and reserves					
Share capital	11/12		1,209,208		1,213,903
Capital reserve	12		170,450		15,621
Capital redemption reserve	12		7,296		2,601
Revenue reserve	12		(16,997)		(12,988)
Ordinary shareholders' funds			1,369,957		1,219,137
Net asset value per ordinary share	13		133.69¢		118.37¢
Number of ordinary shares in issue	11		1,024,738,907		1,029,898,907

The Financial Statements of The Schiehallion Fund Limited (Company registration number 65915) were approved and authorised for issue by the Board of Directors and were signed on 25 March 2025.

Dr Linda Yueh CBE
Chairperson

Statement of changes in equity

For the year ended 31 January 2025

	Notes	Share capital US\$'000	Capital reserve US\$'000	Capital redemption reserve US\$'000	Revenue reserve US\$'000	Shareholders' funds US\$'000
Shareholders' funds at 1 February 2024		1,213,903	15,621	2,601	(12,988)	1,219,137
Ordinary shares bought back	11/12	(4,695)	(4,246)	4,695	–	(4,246)
Total comprehensive income/(loss)		–	159,075	–	(4,009)	155,066
Shareholders' funds at 31 January 2025		1,209,208	170,450	7,296	(16,997)	1,369,957

For the year ended 31 January 2024

	Notes	Share capital US\$'000	Capital reserve US\$'000	Capital redemption reserve US\$'000	Revenue reserve US\$'000	Shareholders' funds US\$'000
Shareholders' funds at 1 February 2023		1,216,503	(51,536)	–	(11,784)	1,153,183
Ordinary shares bought back	11/12	(2,600)	(1,852)	2,601	–	(1,851)
Total comprehensive income/(loss)		–	69,009	–	(1,204)	67,805
Shareholders' funds at 31 January 2024		1,213,903	15,621	2,601	(12,988)	1,219,137

The accompanying notes on pages 84 to 103 are an integral part of the Financial Statements.

Statement of cash flows

For the year ended 31 January

	Notes	2025 US\$'000	2025 US\$'000	2024 US\$'000	2024 US\$'000
Cash flows from operating activities					
Operating profit before taxation		154,549		68,639	
US Treasury Bills interest	2	(6,705)		(5,305)	
Net gains on investments		(158,543)		(69,768)	
Currency gains		(15)		(75)	
Changes in debtors and creditors		910		1,194	
Net cash used in operating activities*			(9,804)		(5,315)
Cash flows from investing activities					
Acquisitions of US Treasury Bills		(151,064)		(201,508)	
Disposals of US Treasury Bills		247,928		176,088	
Acquisitions of investments	7	(121,914)		(75,589)	
Disposals of investments	7	33,788		73,608	
Net cash used in investing activities			8,738		(27,401)
Cash flows from financing activities					
Ordinary shares bought back	11/12	(4,137)		(1,852)	
Net cash outflow from financing activities			(4,137)		(1,852)
Net decrease in cash and cash equivalents		(5,203)		(34,568)	
Effect of exchange rate fluctuations on cash and cash equivalents		15		75	
Cash and cash equivalents at 1 February		11,306		45,799	
Cash and cash equivalents at 31 January			6,118		11,306

* Cash from operations includes interest received of US\$412,000 (2024 – US\$2,044,000).

	2025 US\$'000	2024 US\$'000
Cash and cash equivalents comprise the following:		
Cash at bank	6,118	11,306

The accompanying notes on pages 84 to 103 are an integral part of the Financial Statements.

Notes to the Financial Statements

The Schiehallion Fund Limited is a non-cellular investment company limited by shares, registered and incorporated in Guernsey under the Companies (Guernsey) Law, 2008 (the 'Companies Law') on 4 January 2019, with registration number 65915. The Company is a registered closed-ended investment scheme registered pursuant to the Protection of Investors (Bailiwick of Guernsey) Law, 2020 and the Registered Collective Investment Scheme Rules 2021 issued by the Guernsey Financial Services Commission.

The Company's shares are admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange.

01 Principal accounting policies

The Financial Statements for the year ended 31 January 2025 have been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

a. Basis of accounting

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ('IFRS'). The Financial Statements give a true and fair view and comply with the Companies (Guernsey) Law, 2008. Where presentational guidance set out in the Statement of Recommended Practice ('SORP') for Investment Companies issued by the Association of Investment Companies ('AIC') updated in July 2022 (the 'AIC SORP') is consistent with the requirements of IFRS, the Directors have sought to prepare the Financial Statements on a basis compliant with the recommendations of the SORP.

Going concern

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern.

In undertaking this review, the Board has considered the Company's principal risks and uncertainties, as set out on pages 41 to 45. Liquidity stress testing has been carried out and having done so the Board does not believe the Company's going concern status is affected. The Company maintains sufficient cash balances to enable it to meet its liabilities as they fall due.

In managing the Company's assets, the Investment Manager will seek to ensure that the Company holds at all times a proportion of assets that is sufficiently liquid to enable it to discharge its payment obligations.

Accordingly, the Financial Statements have been prepared on the going concern basis as it is the Directors' opinion, having assessed the principal risks and uncertainties, that the Company will continue in operational existence for a period of at least twelve months from the date of approval of these Financial Statements.

b. Functional and presentational currency

The Company's functional and presentational currency is the US dollar. The US dollar is the functional currency as the Company has issued its share capital in US dollars, its shareholders are based globally and the Company's investment policy has global reach. The Company's performance is evaluated and its liquidity is managed in US dollars. Therefore, the US dollar is considered the currency that most closely represents the economic effects of the underlying transactions, events and conditions.

c. Basis of measurement

The Financial Statements have been prepared under the historical cost convention, adjusted for the revaluation of fixed asset investments at fair value through profit or loss.

d. Accounting judgements, estimates and assumptions

The preparation of the Financial Statements requires the use of estimates, assumptions and judgements. These estimates, assumptions and judgements affect the reported amounts of assets and liabilities at the reporting date. While estimates are based on best judgement using information and financial data available, the actual outcome may differ from these estimates. The key sources of estimation and uncertainty relate to the fair valuation of the private company investments.

Judgements

The Directors consider that the preparation of the Financial Statements involves the following key judgements:

- i. the determination of the functional currency of the Company as US dollars (see rationale in 1(b) above); and
- ii. the fair valuation of the private company investments.

The key judgements in the fair valuation process are:

- i. the Investment Manager's determination of the appropriate application of the International Private Equity and Venture Capital Valuation ('IPEV') Guidelines 2022 to each private company investment; and
- ii. the Directors' consideration of whether each fair value is appropriate following detailed review and challenge. The judgement applied in the selection of the methodology used (see 1(e) below) for determining the fair value of each private company investment can have a significant impact upon the valuation.

Estimates

The key estimate in the Financial Statements is the determination of the fair value of the private company investments by the Investment Manager for consideration by the Directors. This estimate is key as it significantly impacts the valuation of the private company investments at the date of the Statement of Financial Position. The fair valuation process involves estimation using subjective inputs that are unobservable (for which market data is unavailable). The main estimates involved in the selection of the valuation process inputs are:

- i. the selection of appropriate comparable companies in order to derive revenue multiples and meaningful relationships between enterprise value, revenue and earnings growth. Comparable companies are chosen on the basis of their business characteristics and growth patterns;
- ii. the selection of a revenue metric (either historical or forecast);
- iii. the application of an appropriate discount factor to reflect the reduced liquidity of private company companies versus their listed peers;
- iv. the estimation of the probability assigned to an exit being through an initial public offering ('IPO') or a company sale;
- v. the selection of an appropriate industry benchmark index to assist with the valuation validation or the application of valuation adjustments, particularly in the absence of established earnings or closely comparable peers; and
- vi. the calculation of valuation adjustments derived from milestone analysis (i.e. incorporating operational success against the plan/forecasts of the business into the valuation).

Fair value estimates are cross-checked to alternative estimation methods where possible to improve the robustness of the estimates. As the valuation outcomes may differ from the fair value estimates a price sensitivity analysis is provided in Other Price Risk Sensitivity in note 16 on pages 98 to 101 to illustrate the effect on the Financial Statements of an over or under estimation of the unobservable inputs used in the estimation of fair values. The risk of an over or under estimation of fair values is greater when methodologies are applied using more subjective inputs.

Assumptions

The determination of fair value by the Investment Manager involves key assumptions dependent upon the valuation technique used. As explained in 1(e) below, the primary technique applied under the IPEV Guidelines is the multiples approach. Where the multiples approach is used the valuation process recognises also, as stated in the IPEV Guidelines, that the price of a recent investment may be an appropriate calibration for estimating fair value. The multiples approach involves subjective inputs and therefore presents a greater risk of over or under estimation and particularly in the absence of a recent transaction.

The key assumptions for the multiples approach are that the selection of comparable companies provides a reasonable basis for identifying relationships between enterprise value, revenue and growth to apply in the determination of fair value. Other assumptions include:

- i. the discount applied for reduced liquidity versus listed peers;
- ii. the probabilities assigned to an exit being through either an IPO or a company sale; and
- iii. that the application of milestone analysis and industry benchmark indices are a reasonable basis for applying appropriate adjustments to the valuations.

Valuations are cross-checked for reasonableness to alternative multiples-based approaches or benchmark index movements as appropriate.

e. Investments

The Company's investments are classified, recognised and measured at fair value through profit or loss in accordance with IFRS 9. Changes in fair value of investments and gains and losses on disposal are recognised as capital items in the Statement of Comprehensive Income.

Recognition and initial measurement

Purchases and sales of investments are accounted for on a trade date basis. Expenses incidental to purchase and sale are written off to capital at the time of acquisition or disposal. All investments are designated as valued at fair value through profit or loss upon initial recognition and are measured at subsequent reporting dates at fair value.

Measurement and valuation

Listed investments

The fair value of listed security investments is bid value, or, in the case of holdings on certain recognised overseas exchanges, at last traded prices depending on the custom of the relevant exchange.

Private company investments

Private company investments are valued at fair value by the Directors following a detailed review and appropriate challenge of the valuations proposed by the Investment Manager. The Investment Manager's private company investment valuation policy applies techniques consistent with the IPEV Guidelines.

The techniques applied are predominantly market-based approaches. The market-based approaches available under the IPEV Guidelines are set out below and are followed by an explanation of how they are applied to the Company's private companies portfolio:

- Multiples;
- Industry Valuation Benchmarks; and
- Available Market Prices.

The nature of the private company portfolio currently will influence the valuation technique applied. The valuation approach recognises that, as stated in the IPEV Guidelines, the price of a recent investment, if resulting from an orderly transaction, generally represents fair value as at the transaction date and may be an appropriate starting point for estimating fair value at subsequent measurement dates. However, consideration is given to the facts and circumstances as at the subsequent measurement date, including changes in the market or performance of the investee company. Milestone analysis is used where appropriate to incorporate the operational progress of the investee company into the valuation. Additionally, the background to the transaction must be considered. As a result, various Multiples-based techniques are employed to assess the valuations particularly in those companies with established revenues. Discounted cashflows are used where appropriate. An absence of relevant industry peers may preclude the application of the Industry Valuation Benchmarks technique and an absence of observable prices may preclude the Available Market Prices approach. All valuations are cross-checked for reasonableness by employing relevant alternative techniques.

The private company investments are valued according to a three monthly cycle of measurement dates. The fair value of the private company investments will be reviewed before the next scheduled three monthly measurement date on the following occasions:

- at the year end and half year end of the Company; and
- where there is an indication of a change in fair value as defined in the IPEV guidelines (commonly referred to as 'trigger' events).

A trigger event may include any of the following:

- a subsequent round of financing by the investee company;
- a secondary transaction involving the investee company where there is sufficient information available to enable an assessment of the nature of the transaction;
- a recent material change in the current or expected financial and/or operational performance of the investee company;
- a material milestone achieved or missed by the investee company;
- a change in the management personnel of the investee company;
- a material change in the market environment in which the investee company operates; or
- a material change in market indices or economic indicators.

Derecognition

Financial assets are derecognised when the contractual rights to cash flows from the asset expire or the Company transfers the financial assets and substantially all of the risks and rewards of ownership have been transferred.

On derecognition of a financial asset, the difference between the weighted average carrying amount of the asset (or the carrying amount allocated to the proportion of the asset derecognised), and the consideration received (including new asset obtained less any liability assumed), is recognised in profit and loss.

Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expired.

Gains and losses

Gains and losses on investments, including those arising from foreign currency exchange differences, are recognised in the Statement of Comprehensive Income as capital items.

The Investment Manager monitors the investment portfolio on a fair value basis and uses the fair value basis for investments in making investment decisions and monitoring financial performance.

f. US treasury bills

Assets that are held in order to collect contractual cash flows that are solely payments of principal and interest are measured at amortised cost. These assets are subsequently measured at amortised cost using the effective interest rate method less impairment recognised using the expected credit loss method. As at 31 January 2025 impairment recognised was nil (31 January 2024 – nil).

g. Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits repayable on demand. Deposits are repayable on demand if they can be withdrawn at any time without notice and without penalty or if they have a maturity or period of notice of not more than one working day.

h. Financial liabilities

Bank loans and overdrafts are classified as loans and are initially recorded at the proceeds received net of direct costs and subsequently measured at amortised cost.

i. Income

- Income from equity investments is brought into account on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted, when the Company's right to receive payment is established.
- If scrip dividends are taken in lieu of dividends in cash, the net amount of the cash dividend declared is credited to the revenue account. Any excess in the value of the shares received over the amount of the cash dividend foregone is recognised as capital.
- Special dividends are treated as repayments of capital or income depending on the facts of each particular case.
- Overseas dividends include the taxes deducted at source.

v. Interest receivable on bank deposits is recognised on an accruals basis.

vi. Interest from fixed interest securities is recognised on an effective interest rate basis. Where income returns are for a non-fixed amount, the impact of these returns on the effective interest rate is recognised once such returns are known. If there is reasonable doubt that a return will be received, its recognition is deferred until that doubt is removed.

j. Expenses

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue column of the Statement of Comprehensive Income except where: (i) they relate directly to the acquisition or disposal of an investment (transaction costs), in which case they are recognised as capital within losses/gains on investments; and (ii) they relate directly to the buyback/issuance of shares, in which case they are added to the buyback cost or deducted from the share issuance proceeds.

k. Taxation

The Company has applied for and been granted exemption from liability to income tax in Guernsey under the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 in Guernsey for the current period. The exemption must be applied for annually and will be granted, subject to the payment of an annual fee, which is currently fixed at £1,600 (2024 - £1,200) per applicant, provided the Company qualifies for exemption under the applicable legislation.

It is the intention of the Directors to conduct the affairs of the Company so as to ensure that it continues to qualify for exempt company status for the purposes of Guernsey taxation. The Company may be subject to withholding tax on any dividend income. Capital gains tax is payable on realised investment gains in certain jurisdictions – see note 10 for details of the tax provision recognised in the year.

l. Foreign currencies

Transactions involving foreign currencies other than US dollars are converted at the rate ruling at the time of the transaction. Assets and liabilities in such currencies are translated at the closing rates of exchange at the date of the Statement of Financial Position. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the capital reserve or revenue reserve as appropriate. Foreign exchange movements on investments are included in the Statement of Comprehensive Income within gains or losses on investments.

m. Capital reserve

Gains and losses on disposal of investments, changes in the fair value of investments held and realised and unrealised foreign exchange differences of a capital nature are dealt with in this reserve after being recognised in the Statement of Comprehensive income. Purchases of the Company's own shares may be funded from this reserve.

n. Capital redemption reserve

The nominal value of ordinary share capital repurchased and cancelled is transferred out of called-up share capital and into the capital redemption reserve.

o. Revenue reserve

Income and expense items of a revenue nature are included in the Revenue Reserve after being recognised in the Statement of Comprehensive Income. Any dividends paid by the Company would be funded from this reserve.

p. Single segment reporting

The chief operating decision maker is the Board of Directors. The Directors are of the opinion that the Company is engaged in a single segment of business, being investment business, consequently no segmental analysis is presented.

q. Treasury shares

The Company has the authority to make market purchases of its ordinary shares for retention as treasury shares for future reissue, resale, transfer or cancellation. Treasury shares do not receive distributions and the Company is not entitled to exercise the voting rights attaching to them. Treasury shares have no impact on the share capital unless they are subsequently cancelled at which point they would reduce the Company's ordinary share capital.

r. New and revised Standards

The following standards, amendments to standards or interpretations are effective for periods beginning on 1 January 2024. The impact of these standards is not material to the reported results and financial position of the Company.

- Classification of liabilities as current or non-current (Amendments to IAS 1), effective 1 January 2024
- Non-current Liabilities with Covenants – Amendments to IAS 1 and Classification of Liabilities as Current or Non-current – amendments to IAS 1, effective 1 January 2024
- IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures (The implementation and the effective dates of IFRS Sustainability Disclosure Standards are subject to local regulation).

The impact of these standards is not expected to be material to the reported results and financial position of the Company.

New and amended standards and interpretations not applied in these Company's Financial Statements (issued but not yet effective)

- IFRS 18 Presentation and Disclosure in Financial Statements replacing IAS 1 Presentation of Financial Statements, effective 1 January 2027
- Lack of Exchangeability – Amendments to IAS 21
- Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The impact of these standards is not expected to be material to the reported results and financial position of the Company.

02 Income

	2025 US\$'000	2024 US\$'000
US Treasury Bill interest	6,705	5,305
Overseas interest	392	862
Deposit interest	412	2,044
Total income	7,509	8,211

03 Investment management fee

	2025 US\$'000	2024 US\$'000
Investment Management fee	9,562	8,152

Details of the Investment Management Agreement are set out on page 54. Under the terms of the Investment Management Agreement and with effect from the date the Company's ordinary shares were admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange, the Investment Manager is entitled to an annual fee (exclusive of VAT, which shall be added where applicable) of: 0.9% on the net asset value excluding cash or cash equivalent assets up to and including US\$650 million; 0.8% on the net asset value excluding cash or cash equivalent assets exceeding US\$650 million up to and including US\$1.3 billion; and 0.7% on the net asset value excluding cash or cash equivalent assets exceeding US\$1.3 billion. Management fees are calculated and payable quarterly. For the purpose of calculating the investment management fee, cash equivalents include US Treasury Bills.

04 Other administrative expenses

	2025 US\$'000	2024 US\$'000
General administrative expenses	944	275
Administrator's fee	112	105
Auditor's remuneration for audit and non-audit services	260	296
Directors' fees	395	450
Depositary and custody fees	144	108
Registrar fees	39	29
Marketing*	62	-
	1,956	1,263

* The Company is part of a marketing programme which includes all the investment trusts managed by the Investment Manager. The marketing strategy has an ongoing objective to stimulate demand for the Company's shares. The cost of this marketing strategy is borne in partnership by the Company and the Investment Manager. The Investment Manager matches the Company's marketing contribution and provide the resource to manage and run the programme.

In the year to 31 January 2025 there was nil (31 January 2024 – US\$21,000) paid to the Auditor, KPMG Channel Islands Limited, in respect of non-audit services (included within 'General administrative expenses' above). The non-audit fees incurred in the year to 31 January 2024 of US\$21,000 were related to the engagement of KPMG Channel Islands Limited to verify that the C share conversion ratio was calculated correctly and in accordance with the prospectus.

05 Earnings per share

	Year ended 31 January 2025		Year ended 31 January 2024	
Ordinary shares	US\$'000	¢	US\$'000	¢
Revenue return on ordinary activities after taxation	(4,009)	(0.39)	(1,204)	(0.12)
Capital return on ordinary activities after taxation	159,075	15.49	69,009	6.69
Profit and total comprehensive income for the year	155,066	15.10	67,805	6.57
Weighted average number of ordinary shares in issue	1,027,245,710		1,032,208,365	

06 Ordinary dividends

There were no dividends paid or proposed in respect of the year to 31 January 2025 (2024 – nil).

07 Financial instruments

Fair value hierarchy

The fair value hierarchy used to analyse the fair values of financial assets is described below. The levels are determined by the lowest (that is the least reliable or least independently observable) level of input that is significant to the fair value measurement for the individual investment in its entirety as follows:

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).

The valuation techniques used by the Company are explained in the accounting policies on pages 85 and 86. Transfers between levels of the fair value hierarchy take place when the criteria for recognition in another level are met, such as the listing of an investment.

As at 31 January 2025	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Listed equities	290,843	–	–	290,843
Private company ordinary shares/warrants	–	–	280,083	280,083
Private company preference shares*	–	–	712,041	712,041
Private company convertible promissory notes	–	–	7,483	7,483
Total financial asset investments	290,843	–	999,607	1,290,450

As at 31 January 2024	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Listed equities	174,072	–	–	174,072
Private company ordinary shares/warrants	–	–	172,693	172,693
Private company preference shares*	–	–	684,298	684,298
Private company convertible promissory notes	–	–	12,718	12,718
Total financial asset investments	174,072	–	869,709	1,043,781

* 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 of a liquidation event such as a take-over.

During the year ended 31 January 2025, the investment in Tempus AI with a book cost of \$18,468,000 and a fair value (IPO price) of US\$32,858,000 was transferred from Level 3 to Level 1 on becoming listed. During the prior year the investment in Oddity with a fair value (IPO price) of US\$11,800,000 was transferred from Level 3 to Level 1 on becoming listed.

Investments in securities are financial assets held at fair value through profit or loss. In accordance with IFRS 13, the table above provides an analysis of these investments based on the fair value hierarchy described above, which reflects the reliability and significance of the information used to measure their fair value.

07 Financial instruments (continued)

	Listed securities US\$000	Private company securities US\$000	Total US\$000
Cost of investments at 1 February 2024	143,614	903,733	1,047,347
Investment holding gains and losses at 1 February 2024	30,458	(34,024)	(3,566)
Fair value of investments at 1 February 2024	174,072	869,709	1,043,781
Movements in the period:			
Purchases at cost [†]	-	121,914	121,914
Sales – proceeds [†]	(1,405)	(32,383)	(33,788)
– loss on disposal	(26,583)	(39,224)	(65,807)
Changes in categorisation	18,468	(18,468)	-
Changes in investment holding gains and losses	126,291	98,059	224,350
Fair value of investments at 31 January 2025	290,843	999,607	1,290,450
Cost of investments at 31 January 2025	134,094	935,572	1,069,666
Investment holding gains and losses at 31 January 2025	156,749	64,035	220,784
Fair value of investments at 31 January 2025*	290,843	999,607	1,290,450
	Listed securities US\$000	Private company securities US\$000	Total US\$000
Cost of investments at 1 February 2023	158,283	863,244	1,021,527
Investment holding gains and losses at 1 February 2023	(39,265)	(10,230)	(49,495)
Fair value of investments at 1 February 2023	119,018	853,014	972,032
Movements in the period:			
Purchases at cost [†]	3,675	71,914	75,589
Sales – proceeds [†]	(34,813)	(38,795)	(73,608)
– gains on disposal	6,469	17,370	23,839
Changes in categorisation	10,000	(10,000)	-
Changes in investment holding gains and losses	69,723	(23,794)	45,929
Fair value of investments at 31 January 2024	174,072	869,709	1,043,781
Cost of investments at 31 January 2024	143,614	903,733	1,047,347
Investment holding gains and losses at 31 January 2024	30,458	(34,024)	(3,566)
Fair value of investments at 31 January 2024*	174,072	869,709	1,043,781

* Includes holdings in preference shares, promissory notes, ordinary shares and warrants.

† The purchases and sales figures above include transaction costs of nil (2024 – nil).

07 Financial instruments (continued)

	2025 US\$'000	2024 US\$'000
Net gains on investments designated at fair value through profit or loss		
Gains on investments disposed/taken over during the year	18,548	33,512
Losses on investments disposed/taken over during the year	(84,355)	(9,673)
Changes in investment holding gains on investments still held at year-end	343,591	173,536
Changes in investment holding losses on investments still held at year-end	(119,241)	(127,607)
	158,543	69,768

Investment holdings

Details are disclosed below in accordance with the requirements of paragraph 82 of the AIC SORP in relation to private company investments included within the Company's ten largest holdings disclosed on pages 32 to 34. As required by the AIC SORP, this disclosure includes turnover, pre-tax profits and net assets attributable to investors, as reported within the most recently audited financial statements of the private investee companies.

As at 31 January 2025								
Name	Business	Latest Financial Statements	Book cost US\$'000	Market value US\$'000	Income recognised from holding in the period	Turnover	Pre-tax profit/ (loss)	Net assets attributable to shareholders
Space Exploration Technologies	Designs, manufactures and launches advanced rockets and spacecraft	n/a	16,649	128,811	nil	Information not publicly available		
Bending Spoons	Mobile application software developer	n/a	30,542	111,244	nil	Information not publicly available		
ByteDance	Social media and news aggregation company	n/a	43,180	85,177	nil	Information not publicly available		
Stripe	Online payment platform	n/a	21,893	39,796	nil	Information not publicly available		
Databricks	Data software solutions	n/a	31,900	39,029	nil	Information not publicly available		
Wayve Technologies	AI based software for self-driving cars	n/a	16,402	36,275	nil	nil	(£41,196,000)	£132,612,000

07 Financial instruments (continued)

Investment holdings (continued)

As at 31 January 2024

Name	Business	Latest Financial Statements	Book cost US\$'000	Market value US\$'000	Income recognised from holding in the period	Turnover	Pre-tax profit/ (loss)	Net assets attributable to shareholders
Space Exploration Technologies	Designs, manufactures and launches advanced rockets and spacecraft	n/a	22,100	88,324	nil			Information not publicly available
ByteDance	Social media and news aggregation company	n/a	43,180	63,835	nil			Information not publicly available
Bending Spoons	Mobile application software developer	n/a	20,622	48,922	nil			Information not publicly available
Dailyhunt (Ver Se Innovation)	Telephone voice, data, text messaging, and roaming services	n/a	37,119	41,006	nil			Information not publicly available
Brex	Corporate credit cards for startups	n/a	44,047	40,212	nil			Information not publicly available
McMakler	Real estate services	n/a	39,955	37,242	nil			Information not publicly available
Wayve Technologies	AI based software for self-driving cars	n/a	16,402	34,001	nil	nil	(£23,515,000)	£163,482,000
Flix	European mobility provider	n/a	25,001	32,996	nil			Information not publicly available

08 Debtors

	2025 US\$'000	2024 US\$'000
Amounts falling due within one year:		
Income accrued (net of withholding taxes)	1,268	1,616
Other debtors and prepayments	159	127
	1,427	1,743

None of the above debtors are financial assets designated at fair value through profit or loss. The carrying amount of debtors is a reasonable approximation of fair value. There were no debtors that were past due or impaired at 31 January 2025 (2024 – nil).

09 Creditors – amounts falling due within one year

	2025 US\$'000	2024 US\$'000
Unsettled investment purchases	1,800	1,812
Investment management fee	2,743	2,250
Administrator's fee	9	8
Other creditors and accruals	394	311
Buyback payable	109	–
	5,055	4,381

None of the above creditors at 31 January 2025 (2024 – nil) are financial liabilities designated at fair value through profit or loss.

10 Provision for tax liability

The tax liability provision at 31 January 2025 of US\$317,000 (31 January 2024 – \$834,000) relates to a potential liability for Indian capital gains tax that may arise on the Company's Indian investments should they be sold in the future, based on the net unrealised taxable capital gain at the period end and on enacted Indian tax rates (long term capital gains are taxed at 12.5% and short term capital gains are taxed at 30%). The amount of any future tax amounts payable may differ from this provision, depending on the value and timing of any future sales of such investments and future Indian tax rates.

11 Share capital

	2025 Number	2025 US\$'000	2024 Number	2024 US\$'000
Allotted, called up and fully paid ordinary shares of US\$1 each	1,024,738,907	1,208,743	1,029,898,907	1,213,903
Treasury shares of US\$1 each	465,000	465	–	–
	1,025,203,907	1,209,208	1,029,898,907	1,213,903

By way of a special resolution dated 15 March 2019 the Directors had a general authority to allot up to 720,000,000 ordinary shares or C shares, such figure to include the ordinary shares issued at the initial placing. 477,250,000 ordinary shares were issued at the Company's initial placing, with a further 23,180,002 ordinary shares subsequently issued. The remaining authority expired on 15 March 2024.

By way of a special resolution dated 18 March 2021 the Directors have a general authority to allot up to 700,000,000 C shares. On 26 April 2021, the Company issued 700,000,000 C shares of US\$1 each and raised gross proceeds of US\$700,000,000. The issue costs in respect of the C share issue were US\$5,198,000. These costs consisted of mainly broker commission (US\$4,066,000), legal fees (US\$601,000) and listing fees (US\$396,000). The C shares converted on 8 September 2023 with 532,069,905 new ordinary shares being admitted to trading on 12 September 2023. The conversion was triggered by the C share capital deployment crossing the 85% threshold outlined in the prospectus. The C shares were converted proportionately based on respective NAV at the calculation date 31 August 2023, the nearest practicable date selected by the Board. As a result the conversion ratio was calculated to be 0.7601 ordinary shares per C share in issue on 8 September 2023.

By way of a special resolution passed on 10 May 2024 the Directors of the Company were granted a general authority to issue or sell from treasury, ordinary or C shares, without regard to pre-emption rights up to 102,882,390 shares. This authority will expire immediately prior to the 2029 Annual General Meeting (or, if earlier, five years from the date of the passing of the resolution). During the year to 31 January 2025 no shares were issued (2024 – nil). In the period from 31 January 2025 to 21 March 2025 no shares were issued.

11 Share capital (continued)

By way of a special resolution passed on 10 May 2024 the Directors of the Company have general authority to make market purchases of up to 154,145,753 ordinary shares, being 14.99% of the ordinary shares in issue as at 10 May 2024, being the date the resolution passed. This will expire at the conclusion of the Annual General Meeting to be held on 22 May 2025. 5,160,000 ordinary shares were bought back during the year ended 31 January 2025 at a cost of US\$4,246,000 (31 January 2024 – 2,601,000 ordinary shares at a cost of US\$1,851,000) hence the remaining authority is 150,560,753 ordinary shares. At 31 January 2025 the Company held 465,000 shares in treasury (2024 – nil). In the period from 31 January 2025 to 21 March 2025 2,750,000 ordinary shares were bought back to treasury. The total cost of shares bought back is charged to the capital reserve. The nominal value of the shares that were bought back and cancelled were transferred from the share capital to the capital redemption reserve.

Holders of ordinary shares have the right to receive income and capital from assets attributable to such share class. Ordinary shareholders have the right to receive notice of general meetings of the Company and have the right to attend and vote at all general meetings.

12 Capital and reserves

	Share capital US\$'000	Capital reserve US\$'000	Capital redemption reserve US\$'000	Revenue reserve US\$'000	Shareholders' funds US\$'000
At 1 February 2024	1,213,903	15,621	2,601	(12,988)	1,219,137
Changes in investment holding gains and losses	–	158,543	–	–	158,543
Exchange differences	–	15	–	–	15
Ordinary shares bought back	(4,695)	(4,246)	4,695	–	(4,246)
Provision for Indian capital gains tax	–	517	–	–	517
Revenue earnings on ordinary activities after taxation	–	–	–	(4,009)	(4,009)
At 31 January 2025	1,209,208	170,450	7,296	(16,997)	1,369,957

	Share capital US\$'000	Capital reserve US\$'000	Capital redemption reserve US\$'000	Revenue reserve US\$'000	Shareholders' funds US\$'000
At 1 February 2023	1,216,503	(51,536)	–	(11,784)	1,153,183
Changes in investment holding gains and losses	–	69,768	–	–	69,768
Exchange differences	–	75	–	–	75
Ordinary shares bought back	(2,600)	(1,852)	2,601	–	(1,851)
Provision for Indian capital gains tax	–	(834)	–	–	(834)
Revenue earnings on ordinary activities after taxation	–	–	–	(1,204)	(1,204)
At 31 January 2024	1,213,903	15,621	2,601	(12,988)	1,219,137

The capital reserve includes investment holding gains of US\$220,784,000 (2024 – losses of US\$3,566,000) as disclosed in note 7. The Company may make distributions from the capital reserve including share buybacks under section 527 of Company (Guernsey) law 2008 if it is solvent. The revenue reserve (to the extent it constitutes realised profits) may be distributed by way of dividend.

13 Net asset value per share

The net asset value per ordinary share and the net assets attributable to the ordinary shareholders at 31 January calculated in accordance with the Articles of Incorporation were as follows:

Ordinary shares	2025	2024
Shareholders' funds	US\$1,369,957	US\$1,219,137,000
Number of ordinary shares in issue at the year end	1,024,738,907	1,029,898,907
Net asset value per ordinary share	133.69¢	118.37¢

There are no dilutive or potentially dilutive shares in issue. The aggregate change in assets during the year attributable to the shares is shown in note 12.

14 Contingencies, guarantees and financial commitments

The Company had a commitment at 31 January 2024 to purchase 23,438 shares in Bending Spoons for €9.2m. The payment was made following the year end on 1 February 2024 and 9 February 2024.

In accordance with the Corporate Income Tax ('CIT') Law of the People's Republic of China ('PRC') and its latest Detailed Implementation Regulations ('DIRs'), the Tax Collection and Administration Law of the PRC ('TCAL') and its DIRs, the transfer of shares in the Company's private Chinese resident holdings would be subject to Chinese withholding tax on a taxable gain. However, the tax basis for calculating taxable gains is unclear, varying between different locations and tax authorities within the PRC. As such, the amount of any tax that may arise on disposal of the Company's private Chinese resident holdings is currently highly uncertain. The Directors are however satisfied that, based on information available to them at the time of approving these financial statements, the quantum of any such tax charge would not be material and consequently no accrual for withholding tax is recognised within the financial statements.

15 Transactions with related parties and the Investment Manager and Administrator

Each of the Directors is entitled to receive a fee from the Company at such rate as may be determined in accordance with the Articles of Incorporation. Directors' fees for the year are detailed in the Directors' remuneration report on pages 70 to 72.

All of the Directors will also be entitled to be paid all reasonable expenses properly incurred by them in connection with the performance of their duties. These expenses will include those associated with attending general Board or committee meetings and legal fees. The Board may determine that additional remuneration may be paid, from time to time, to any one or more Directors in the event such Director or Directors are requested by the Board to perform extra or special services on behalf of the Company.

No Director has a contract of service with the Company.

The Directors have the following shareholdings in the Company:

Name	Nature of interest	Ordinary shares held at 31 January 2025	Ordinary shares held at 31 January 2024
L Yueh	Beneficial	44,573	44,573
J Mackie	Beneficial	91,278	91,278
T Clark	Beneficial	60,808	60,808
R Holmes	Beneficial	54,801	54,801

The Directors' holdings at 31 January 2024 reflect the conversion ratio applied on 8 September 2023, when the C shares converted into ordinary shares.

Details of the investment management agreement are set out in note 3. The management fee payable to the Investment Manager by the Company for the year ended 31 January 2025, as disclosed in note 3, was US\$9,562,000 (2024 – US\$ 8,152,000) of which US\$2,743,000 was outstanding at 31 January 2025 (2024 – US\$2,250,000), as disclosed in note 9.

The fee payable to the Administrator, for the year to 31 January 2025 as disclosed in note 4, was US\$112,000 (2024 – US\$105,000) of which US\$9,000 was outstanding at 31 January 2025 (2024 – US\$8,000) as disclosed in note 9.

16 Risk Management

The Company predominantly invests in long-term minority investments in later stage private (unlisted) companies. Pending investment in private companies the Company may invest in a range of cash equivalent instruments. The Company may employ gearing on a short-term basis for the purpose of bridging investments and general working capital purposes. In pursuing its investment objective, the Company is exposed to various types of risk that are associated with the financial instruments and markets in which it invests.

These risks are categorised as market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Board monitors closely the Company's exposures to these risks but does so in order to reduce the likelihood of a permanent loss of capital rather than to minimise short-term volatility. Risk provides the potential for both losses and gains. In assessing risk, the Board encourages the Investment Manager to exploit the opportunities that risk affords.

Market Risk

The fair value or future cash flows of a financial instrument or other investment held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk. The Board of Directors reviews and agrees policies for managing these risks and the Company's Investment Manager both assesses the exposure to market risk when making individual investment decisions and monitors the overall level of market risk across the investment portfolio on an ongoing basis.

Details of the Company's investment portfolio are shown on pages 32 to 34 and in note 7. The Company may, from time to time, enter into derivative transactions to hedge specific market, currency or interest rate risk. In the year to 31 January 2025, no such transactions were entered into (2024 – no such transactions). The Company's Investment Manager may not enter into derivative transactions without the prior approval of the Board.

i. Currency Risk

The Company's assets, liabilities and income are principally denominated in US dollars, the Company's functional currency and that in which it reports its results. Consequently, movements in the exchange rate of its functional currency relative to other foreign currencies will affect the US dollar value of those items.

The Investment Manager monitors the Company's exposure to foreign currencies and reports to the Board on a regular basis. The Investment Manager assesses the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the rates of exchange to which the Company's assets, liabilities, income and expenses are exposed. However, the country in which a company is listed is not necessarily where it earns its profits. The movement in exchange rates on overseas earnings may have a more significant impact upon a company's valuation than a simple translation of the currency in which the company is quoted.

Exposure to currency risk through asset allocation, which is calculated by reference to the currency in which the asset or liability is quoted, is shown below.

Currency risk

At 31 January 2025	Investments US\$'000	US Treasury Bills and cash US\$'000	Other debtors and creditors US\$'000 *	Net exposure US\$'000
Sterling	119,504	60	(3,017)	116,547
Euro	181,656	–	–	181,656
Indian rupee	53,802	–	(317)	53,485
Australian dollar	12,945	–	–	12,945
Total exposure to currency risk	367,907	60	(3,334)	364,633
US dollar	922,543	83,392	(611)	1,005,324
	1,290,450	83,452	(3,945)	1,369,957

16 Risk Management (continued)

At 31 January 2024	Investments US\$'000	US Treasury Bills and cash US\$'000	Other debtors and creditors US\$'000 *	Net exposure US\$'000
Sterling	95,992	76	(2,444)	93,624
Euro	119,160	3,544	–	122,704
Indian rupee	41,006	–	(834)	40,172
Australian dollar	22,975	–	–	22,975
Total exposure to currency risk	279,133	3,620	(3,278)	279,475
US dollar	764,648	175,208	(194)	939,662
	1,043,781	178,828	(3,472)	1,219,137

* Includes net non-monetary assets of US\$159,000 (2024 – US\$127,000).

Currency risk sensitivity

At 31 January 2025, if the US dollar had strengthened by 10% in relation to all other currencies, with all other variables held constant, total net assets and profit and total comprehensive income for the year to 31 January 2025 would have decreased by US\$36,463,000 (2024 (10%) – US\$27,948,000). A 10% weakening of the US dollar to other currencies, with all other variables held constant, would have had an equal but opposite effect on the Financial Statement amounts.

A change of 10% in foreign currency rates (2024 – 10%) has been considered to be a reasonably plausible change reflective of market circumstance in the year.

ii. Interest rate risk

Interest rate movements may affect directly the level of income receivable on cash deposits and the interest payable on any variable rate borrowings.

They may also impact upon the market value of investments as the effect of interest rate movements upon the earnings of a company may have a significant impact upon the valuation of that company's equity.

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

The Board reviews on a regular basis the amount of investments in cash and the income receivable on cash deposits.

The Company may finance, on a short-term basis, part of its activities through borrowings at approved levels. The amount of any such borrowings and the approved levels are monitored and reviewed regularly by the Board.

The interest rate risk profile of the Company's financial assets and liabilities at 31 January 2025 and 31 January 2024 is shown below.

Financial assets

	2025 Fair value US\$'000	2025 Weighted average interest rate	2024 Fair value US\$'000	2024 Weighted average interest rate
Cash				
US dollar	6,058	3.6%	7,686	4.8%
Euro	–	–	3,544	3.8%
Sterling	60	3.7%	76	4.5%

The cash deposits generally comprise overnight call or short-term money market deposits and earn interest at floating rates based on prevailing bank base rates.

16 Risk Management (continued)

Interest rate risk sensitivity

Financial liabilities

The Company currently has no financial liabilities.

An increase of 100 basis points in interest rates, with all other variables being held constant, would have increased the Company's total net assets and profit and total comprehensive income for the year ended 31 January 2025 by US\$61,000 (2024 – US\$113,000). This is mainly due to the Company's exposure to interest rates on its cash balances. A decrease of 100 basis points would have had an equal but opposite effect.

A change of 100 basis points in interest rates has been considered to be a reasonably plausible change taking account of the movement in interest rates during the year.

iii. Other price risk

Changes in market prices other than those arising from interest rate risk or currency risk may also affect the value of the Company's net assets. The Company's exposure to changes in market prices relates to the fixed asset investments as disclosed in note 7.

The Board manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager. The Company's portfolio of private company Level 3 investments is not necessarily affected by market performance, however the valuations are affected by the performance of the underlying securities in line with the valuation criteria in note 1(e). The Board meets regularly and at each meeting reviews investment performance, the investment portfolio and the rationale for the current investment portfolio positioning to ensure consistency with the Company's objectives and investment policies. Investments are selected based upon the merit of individual companies. The portfolio does not seek to reproduce any index.

Other price risk sensitivity

A full list of the Company's investments is given on pages 32 to 34. In addition, an analysis of the investment portfolio by broad geographical, industrial or commercial sector is shown on page 27.

21.3% of the Company's net assets are invested in listed investments.

72.9% of the Company's net assets are invested in private company investments.

A 20% increase in quoted equity valuations at 31 January 2025 would have increased total net assets and net return after taxation by US\$58,169,000 (2024 – US\$34,814,000). A decrease of 20% would have an equal but opposite effect. 20% is considered to be a reasonable movement given the prevailing market conditions.

The fair valuation of the private company investments is influenced by the estimates, assumptions and judgements made in the fair valuation process (see note 1(d) on pages 84 and 85). This level of changed is considered to be reasonable based on observations of current market conditions.

The private companies sensitivity analysis below recognises that the valuation methodologies employed involve different levels of subjectivity in their significant unobservable inputs and illustrates the sensitivity of the valuations to these inputs as it involves more significant subjective estimation than the recent transaction method. The inputs have been flexed by +/-10% being a reasonable movement given market conditions to demonstrate how sensitive the underlying valuations are to changes in the significant unobservable inputs. The table also provides the range of values for the key unobservable inputs. A blend of valuation techniques is used for some holdings.

16 Risk Management (continued)

Other price risk sensitivity (continued)

Valuation technique	Fair value of investments US\$'000	Significant unobservable inputs*			Weighted average range†	Sensitivity %‡	Sensitivity to changes in significant unobservable inputs
		Key unobservable inputs	Other unobservable inputs#	Range			
Market approach using comparable trading multiples	482,033	Enterprise Value/ Last twelve months (EV/ LTM) revenue multiple‡	a,b,c,d	1.6x to 9.2x	5.3x	10%	If EV/LTM multiples changed by +/- 10%, the fair value would change by \$36,161,074 and (\$37,092,794).
		Enterprise Value/Next twelve months (EV/ NTM) revenue multiple¶	a,b,c,d	4.1x to 7.6x	5.4x	10%	If EV/NTM multiples changed by +/- 10%, the fair value would change by \$1,714,437 and (\$2,077,809).
		Illiquidity discounts	e	10%	10%	10%	If the illiquidity discount changed by +/- 10%, the fair value would change by \$1,650,577 and (\$2,011,573).
		Transaction implied premium and discounts	g	(30.7%) to 94.3%	20.1%	10%	If a +/- 10% adjustment is applied to the calculated premiums and discounts, the fair value would change by \$5,012,865 and (\$5,067,505).
Benchmark performance	228,969	Selection of comparable companies, indices and ETFs§	a,b,c,f	(39.5%) to 52.5%	3.7%	10%	If input comparable benchmark performance changed by +/- 10%, the fair value would change by \$12,575,854 and (\$13,463,453).
Price of expected transaction	24,687	Execution risk discount	a,b,h	10%	n/a	10%	If the execution risk discount changed by +/- 10%, the fair value would change by \$2,468,732 and (\$2,468,732).
Adjusted price of recent transaction	701	Insolvency risk discount	a,b,i	75% to 90%		10%	If the insolvency risk discount changed by +/- 10%, the fair value would change by \$70,045 and (\$70,045).
Recent transaction price	263,217	n/a**^	a,b	n/a	n/a	10%	If the recent transaction price changed by +/- 10%, the fair value would change by \$26,321,717 and (\$26,321,717).

* Significant unobservable inputs

The variable inputs applicable to each broad category of valuation basis will vary dependent on the particular circumstances of each private company valuation. An explanation of each of the key variable inputs is provided below and includes an indication of the range in value for each input, where relevant. The assumptions made in the production of the inputs are described in note 1(d) on pages 84 and 85.

† Weighted average is calculated by reference to the fair value of holdings as at the respective year-end. This therefore gives a clearer indication of the typical multiple or adjustment being applied across the portfolio.

See explanation for other unobservable inputs on page 101 (sections 'a' to 'h' as relevant).

‡ Enterprise value (EV) divided by the last twelve months (LTM) revenue.

¶ Enterprise value (EV) divided by the next twelve months (NTM) forecast revenue.

§ See explanation for the selection of comparable companies on page 101 section 'c'. The percentage movements reflect the movement in overall company value for the basket of comparable companies relevant to each holding since the most recent transaction or since the last assessment.

^ Whilst a recent transaction price may be the most appropriate basis for a valuation, it will be corroborated by other techniques which factor in the unobservable inputs noted in the above table. However, the transaction price itself is observable.

** Flexing the revenue figures by the same sensitivity would result in the same change in both directions.

16 Risk Management (continued)

Other price risk sensitivity (continued)

31 January 2024							
Valuation technique	Fair value of investments US\$'000	Significant unobservable inputs*			Weighted average range [†]	Sensitivity % [#]	Sensitivity to changes in significant unobservable inputs
		Key unobservable inputs	Other unobservable inputs [#]	Range			
Market approach using comparable trading multiples	365,576	Enterprise Value/ Last twelve months (EV/ LTM) revenue multiple [‡]	a,b,c,d	1.6x to 9.0x	4.3x	10%	If EV/LTM multiples changed by +/- 10%, the fair value would change by US\$22,659,036 and (US\$22,661,075).
		Enterprise Value/Next twelve months (EV/ NTM) revenue multiple [¶]	a,b,c,d	3.0x to 4.7x	3.9x	10%	If EV/NTM multiples changed by +/- 10%, the fair value would change by US\$3,200,143 and (US\$3,250,694).
		Illiquidity discount	e	(10%)	(10%)	10%	If the illiquidity discount is charged by +/- (10%), the fair value would change by \$2,462,370 and (\$2,391,254).
		Transaction implied premiums and discounts	g	(18.6%) to 85.7%	55.8%	10%	If a +/- 10% adjustment is applied to the calculated premiums and discounts the fair value would change by \$2,828,517 and (\$2,917,313).
Benchmark performance	301,337	Selection of comparable companies indices and ETFs [§]	a,b,c,f	(38.6%) to 25.4%	4.8%	10%	If input comparable benchmark performance changed in absolute terms by +/- 10%, the fair value would change by US\$22,765,429 and (US\$22,395,064).
Price of expected transaction	8,416	Execution risk discount	h	10%	n/a	10%	If the execution risk changed by +/- 10%, the fair value would change by US\$841,624 and (US\$1,020,748).
Recent transaction price	217,008	n/a ^{**^}	a,b	n/a	n/a	n/a	n/a

* Significant unobservable inputs

The variable inputs applicable to each broad category of valuation basis will vary dependent on the particular circumstances of each private company valuation. An explanation of each of the key variable inputs is provided below and includes an indication of the range in value for each input, where relevant. The assumptions made in the production of the inputs are described in note 1(d) on pages 84 and 85.

[†] Weighted average is calculated by reference to the fair value of holdings as at the respective year-end. This therefore gives a clearer indication of the typical multiple or adjustment being applied across the portfolio.

[#] See explanation for other unobservable inputs on page 101 (sections 'a' to 'h' as relevant).

[‡] Enterprise value (EV) divided by the last twelve months (LTM) revenue.

[¶] Enterprise value (EV) divided by the next twelve months (NTM) forecast revenue.

[§] See explanation for the selection of comparable companies on page 101 section 'c'. The percentage movements reflect the movement in overall company value for the basket of comparable companies relevant to each holding since the most recent transaction or since the last assessment.

[^] Whilst a recent transaction price may be the most appropriate basis for a valuation, it will be corroborated by other techniques which factor in the unobservable inputs noted in the above table. However, the transaction price itself is observable.

** Flexing the revenue figures by the same sensitivity would result in the same change in both directions.

16 Risk Management (continued)

Significant unobservable inputs (continued)

a. Application of valuation basis

Each investment is assessed independently, and the valuation basis applied will vary depending on the circumstances of each investment. When an investment is pre-revenue, the focus of the valuation will be on assessing the recent transaction and the achievement of key milestones since investment. Adjustments may also be made depending on the performance of comparable benchmarks and companies. For those investments where a trading multiples approach can be taken, the methodology will factor in revenue, earnings or net assets as appropriate for the investment, and where a suitable correlation can be identified with the comparable companies then a regression analysis will be performed. Discounted cash flows will also be considered where appropriate forecasts are available.

b. Probability estimation of liquidation events

The probability of a liquidation event such as a company sale, or alternatively the probability of the shares being treated as common stock, such as in the event of an initial public offering ('IPO'), is a key variable input in the Transaction-based and Multiples-based valuation techniques. The probability of a common stock equivalent ('CSE') outcome versus a company sale is typically estimated from the outset to be 50:50 as no one outcome is more likely than the other. If the company has indicated an intention to IPO, the probability is increased accordingly to 75% and if an IPO has become a certainty the probability is increased to 100%. Likewise, in a scenario where a company is pursuing a trade sale the weightings will be adjusted accordingly in favour of a sale scenario. The Company typically invests in higher ranking preference shares which carry more protection, and this can therefore influence the end valuation. Option pricing models are used to corroborate the valuations where there has been more notable company underperformance to ensure that the economic reality of the shares held by Schiehallion remain appropriate.

c. Selection of comparable companies

The selection of comparable companies is assessed individually for each investment at the point of investment, and the relevance of the comparable companies is continually evaluated at each valuation. The key criteria used in selecting appropriate comparable companies are the industry sector in which they operate, the geography of the company's operations, the respective revenue and earnings growth rates and the operating margins. Typically, between 4 and 10 comparable companies will be selected for each investment, depending on how many relevant comparable companies are identified. The resultant revenue or earnings multiples or share price movements derived will vary depending on the companies selected and the industries they operate in.

d. Estimated sustainable earnings

The selection of sustainable revenue or earnings will depend on whether the company is sustainably profitable or not, and where it is not then revenues will be used in the valuation. The valuation approach will typically assess companies based on the last twelve months of revenue or earnings, as they are the most recent available and therefore viewed as the most reliable. Where a company has reliably forecasted earnings previously or there is a change in circumstance at the business which will impact earnings going forward, then forward estimated revenue or earnings may be used instead.

e. Application of illiquidity discount

The application of an illiquidity discount will be applied either through the calibration of a valuation against the most recent transaction, or by application of a specific discount. The discount applied where a calibration (see (g) below) is not appropriate is typically 10%, reflecting that the majority of the investments held are substantial companies with some secondary market activity.

f. Selection of appropriate benchmarks

The selection of appropriate benchmarks is assessed individually for each investment. The industry and geography of each company are key inputs to the benchmark selection, with either one or two key indices or benchmarks being used for comparison where applicable.

g. Transaction implied premium and discount

Where there is an implied company valuation available as a result of an external arm's length transaction, the ongoing valuation will be calibrated to this by deriving a company valuation with reference to the average multiple from a set of comparable companies and comparing this to a transaction implied valuation, and could result in an implied premium or discount compared to comparable companies at the point of transaction. This discount or premium will be considered in future valuations, and may be reduced due to factors such as period of time since the transaction and company performance. Where a calibrated approach is not appropriate, a discount for illiquidity will be applied as noted in (e) above.

h. Execution risk

An execution risk discount is applied to all investments where an arm's-length transaction is due to take place, however, hasn't closed prior to the reporting period end. The discount typically applied is 10%, acknowledging that the finer details of the round may well still be negotiated which could impact the expected issue price. In valuing in line with an expected transaction the arm's-length nature of the deal has been assessed and legal documentation received.

16 Risk Management (continued)

Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. Investments in private businesses are expected to comprise a material proportion of the Company's portfolio. Interests in private businesses are highly illiquid and have no public market, which may affect the Company's ability to vary its portfolio or dispose of or liquidate part of its portfolio in a timely fashion, or at all, and at satisfactory prices in response to changes in economic or other conditions. At 31 January 2025, the Company, held US\$77,334,000 of US Treasury Bills (2024 – US\$167,522,000) which are fully realisable. The Board provides guidance to the Investment Manager as to the maximum exposure to any one holding and to the maximum aggregate exposure to substantial holdings.

The Company has the power to take out borrowings, which give it access to additional funding when required. There are no borrowings as at 31 January 2025 (2024 – nil).

Credit risk

This is the risk that a failure of a counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss. This risk is managed as follows:

- where the Investment Manager makes an investment in a bond or other security with credit risk, that credit risk is assessed and then compared to the prospective investment return of the security in question;
- the Depositary is liable for the loss of financial instruments held in custody. The Depositary will ensure that any delegate segregates the assets of the Company. The Investment Manager monitors the Company's risk by reviewing the Custodian's internal control reports and reporting its findings to the Board;
- investment transactions are carried out with brokers whose creditworthiness is reviewed by the Investment Manager. Transactions are ordinarily undertaken on a delivery versus payment basis whereby the Company's custodian bank ensures that the counterparty to any transaction entered into by the Company has delivered on its obligations before any transfer of cash or securities away from the Company is completed;
- the creditworthiness of the counterparty to transactions involving derivatives, structured notes and other arrangements, wherein the creditworthiness of the entity acting as broker or counterparty to the transaction is likely to be of sustained interest, are subject to rigorous assessment by the Investment Manager; and
- cash is only held at banks that are regularly reviewed by the Investment Manager. At 31 January 2025, all cash deposits were held with the custodian bank which has a credit rating of F1+ (2024 – F1+).

Credit risk exposure

The exposure to credit risk at 31 January was:

	2025 US\$'000	2024 US\$'000
US Treasury Bills	77,334	167,522
Cash and short-term deposits	6,118	11,306
Debtors and prepayments	1,427	1,743
	84,879	180,571

None of the Company's financial assets are past due or impaired.

Fair value of financial assets and financial liabilities

The Directors are of the opinion that the carrying amount of financial assets and liabilities of the Company in the Statement of Financial Position approximate their fair value.

16 Risk Management (continued)

Capital management

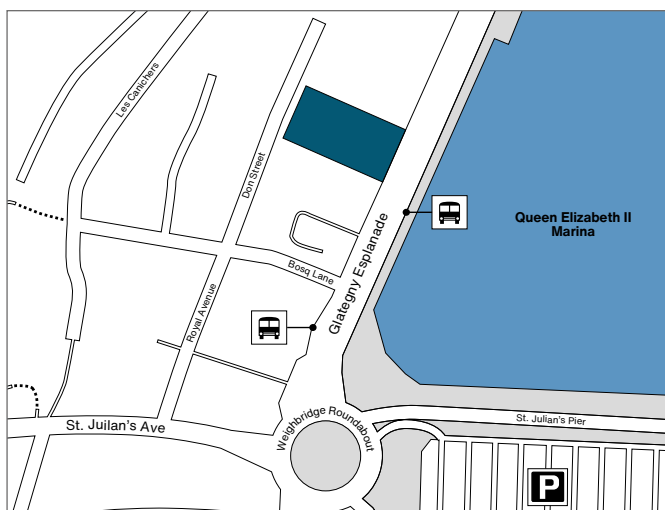
The capital of the Company is its share capital and reserves as set out in note 12. The objective of the Company is to invest predominantly in long-term minority investments in later stage private businesses in order to achieve capital growth. The Company's investment policy is set out on pages 36 and 37. In pursuit of the Company's objective, the Board has a responsibility for ensuring the Company's ability to continue as a going concern are set out on page 65 and details of the related risks and how they are managed are set out on pages 41 to 45 and pages 64 and 65, respectively. The Company has the authority to issue and buyback its shares and changes to the share capital during the period are set out in note 11.

17 Subsequent events

As at the date of this report there are no events which require adjustment of, or disclosure in, the Financial Statements or notes thereto.

Shareholder information

Notice of Annual General Meeting



● Alter Domus (Guernsey) Limited, Channel Islands

Baillie Gifford™



The Annual General Meeting of the Company will be held at the offices of Alter Domus (Guernsey) Limited, North Suite First Floor, Regency Court Gategny Esplanade, St Peter Port, Guernsey, Channel Islands GY1 1WW on Thursday, 22 May 2025 at 11.15 am.

The Board encourages all shareholders to submit proxy voting forms, appointing the chairperson of the AGM, as soon as possible and, in any event, by no later than 11.15 am on 20 May 2025.

We would encourage shareholders to monitor the Company's website at [schiehallionfund.com](https://www.schiehallionfund.com). Should shareholders have questions for the Board or the Manager or any queries as to how to vote, they are welcome as always to submit them by email to adgg-aafa-f@alterdomus.com or call Alter Domus (Guernsey) Limited on +44 (0) 1481 742 250.

Alter Domus (Guernsey) Limited may record your call.

If you or, if appointed, your proxy wish to attend the Annual General Meeting electronically you, or your proxy, will have the same right to attend, be counted in the quorum, participate in the business of the Annual General Meeting, speak and vote as if you, or your proxy, had attended the meeting in person. Details of how to attend the Annual General Meeting electronically can be obtained from Alter Domus (Guernsey) Limited on the contact details provided on the previous page.

Notice is hereby given that the sixth Annual General Meeting of The Schiehallion Fund Limited will be held at the offices of Alter Domus (Guernsey) Limited, North Suite First Floor, Regency Court Glatigny Esplanade, St Peter Port, Guernsey, Channel Islands GY1 1WW, on Thursday, 22 May 2025 at 11.15 am. for the following purposes:

To consider and, if thought fit, to pass the following Resolutions as Ordinary Resolutions:

1. To receive and adopt the Annual Report and Financial Statements of the Company for the year to 31 January 2025 with the Reports of the Directors and of the Independent Auditor thereon.
2. To approve the Directors' Annual Report on Remuneration for the year to 31 January 2025.
3. To re-elect Dr Linda Yueh as a Director.
4. To re-elect Mr John Mackie as a Director.
5. To re-elect Ms Trudi Clark as a Director.
6. To re-elect Mr Richard Holmes as a Director.
7. To reappoint KPMG Channel Islands Limited as Independent Auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting at which the Financial Statements are laid before the Company.
8. To authorise the Directors to determine the remuneration of the Independent Auditor of the Company.

To consider and, if thought fit, to pass Resolutions 9 and 10 as Special Resolutions.

9. That, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date hereof, the Company be and is hereby generally and unconditionally authorised, pursuant to and in accordance with section 315(2)(b) of the Companies (Guernsey) Law, 2008 (the 'Law') to make market purchases (within the meaning of section 316 of the Law) of ordinary shares of no par value in the capital of the Company ('ordinary shares') (either for retention as treasury shares for future reissue, resale, transfer or cancellation), provided that:
 - a. the maximum aggregate number of ordinary shares hereby authorised to be purchased is, 153,196,137 or, if less, the number representing approximately 14.99% of the issued ordinary share capital of the Company as at the date of the passing of this resolution;
 - b. the minimum price (excluding expenses) which may be paid for each ordinary share is US\$1.00;
 - c. the maximum price (excluding expenses) which may be paid for each ordinary share shall not be more than the higher of:
 - i. 5% above the average closing price on the London Stock Exchange of an ordinary share over the five business days immediately preceding the date of purchase; and
 - ii. an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out; and

d. unless previously varied, revoked or renewed by the Company in a general meeting, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in respect of the year ending 31 January 2026, save that the Company may, prior to such expiry, enter into a contract to purchase ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of ordinary shares pursuant to any such contract.

10. That the Articles of Incorporation produced to the meeting and signed by the Chairperson for the meeting for the purposes of identification be approved and adopted as the new Articles of Incorporation of the Company in substitution for, and to the exclusion of, the existing Articles of Incorporation with effect from the conclusion of the meeting.

By order of the Board
Alter Domus (Guernsey) Limited
Secretary
9 April 2025

In connection with your votes on the resolutions to be considered at the upcoming AGM of The Schiehallion Fund Limited ('Schiehallion'), you are being requested to certify as to your status in the three respects described below. It is important that you make the correct certifications in order to avoid your votes being capped or scaled down when that is not necessary.

These certifications will also appear in the updated CREST and on the hard copy proxy form as additional resolutions.

Each certification is described below. The certifications are required in accordance with Articles 82 and 82A of Schiehallion's articles of incorporation, which are available to view on the company's website at [schiehallionfund.com](https://www.schiehallionfund.com).

Please return confirmation of your status in respect of each certification by 11.15am (UK time) on 20 May 2025.

01. BHCA Certification

You are asked to certify whether, at the time of the AGM, you are subject to restrictions under the US Bank Holding Company Act of 1956 ('BHCA') in respect of certain of your equity investments due to your relationship with a bank holding company (as defined by the BHCA).

If you certify that you are subject to restrictions under the BHCA, your votes will be disregarded in respect of each resolution to appoint or remove a director and may be capped in respect of any other resolution.

02. US Shareholder Certification

You are asked to certify that, at the time of voting: (a) you are not a US Person or US Resident (each as defined in Schiehallion's articles – see below); and (b) to the extent that you hold shares for the account or benefit of another person, such other person is not a US Person or US Resident.

In Schiehallion's articles:

- a 'US Person' means a 'U.S. person' as defined in Regulation S under the US Securities Act of 1933; and
- a 'US Resident' means a resident of the United States within the meaning of Rule 405 under the US Securities Act of 1933 or Rule 3b-4(c) under the US Exchange Act of 1934.

If you do not certify that you are not a US Person or US Resident (or holding shares for the account of such a person), it will be assumed that you are such a person and your votes may be scaled down in respect of each resolution to appoint or remove a director.

03. Canadian Pension Plan Certification

You are asked to certify whether, at the time of the AGM, you are a pension plan governed by the laws of Canada (or a jurisdiction thereof) that is subject to section 11 of Schedule III to the Pension Benefits Standards Regulations, 1985 (Canada) or a substantially similar restriction contained in the legislation governing such pension plan (a 'Canadian Pension Plan').

If you certify that you are a Canadian Pension Plan, your votes may be scaled down in respect of each resolution to appoint or remove a director.

Notes

01. As a member you are entitled to appoint a proxy or proxies to exercise all or any of your rights to attend, speak and vote at the AGM. A proxy need not be a member of the Company but must attend the AGM to represent you. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You can only appoint a proxy using the procedure set out in these notes and the notes to the proxy form. You may not use any electronic address provided either in this notice or any related documents (including the Financial Statements and proxy form) to communicate with the Company for any purpose other than those expressly stated.
02. To be valid any proxy form or other instrument appointing a proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, must be received by post or (during normal business hours only) by hand at the Registrars of the Company at Computershare Investor Services (Guernsey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6AH or [eproxyappointment.com](https://www.eproxyappointment.com) no later than two days (excluding non-working days) before the time of the meeting or any adjourned meeting.
03. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and/or by logging on to the website [euroclear.com/CREST](https://www.euroclear.com/CREST). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

04. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrar (ID 3RA50) no later than two days (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
05. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
06. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 34 of The Uncertified Securities (Guernsey) Regulations, 2009.
07. The return of a completed proxy form or other instrument of proxy will not prevent you attending the AGM and voting in person if you wish.
08. Pursuant to Regulation 41 of The Uncertified Securities (Guernsey) Regulations, 2009 and article 84 of the Company's Articles of Incorporation the Company specifies that to be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company no later than two days (excluding non-working days) prior to the commencement of the AGM or any adjourned meeting. Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
09. Any person to whom this notice is sent who is a person nominated by a shareholder holding their shares on behalf of that person to enjoy information rights (a 'Nominated Person') may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
10. The statement of the rights of shareholders in relation to the appointment of proxies in Notes 1 and 2 above does not apply to Nominated Persons. The rights described in those Notes can only be exercised by shareholders of the Company.
11. The members of the Company may require the Company to publish, on its website, (without payment) a statement (which is also passed to the Auditor) setting out any matter relating to the audit of the Company's Financial Statements, including the Auditor's report and the conduct of the audit. The Company will be required to do so once it has received such requests from members representing at least 5% of the total voting rights of the Company. Such requests must be made in writing and must state your full name and address and be sent to the Company at North Suite First Floor, Regency Court Glatigny Esplanade, St Peter Port, Guernsey, Channel Islands GY1 1WW.
12. Information regarding the Annual General Meeting is available from the Company's page of the Investment Manager's website at schiehallionfund.com.

13. Members have the right to ask questions at the meeting and the Company must cause to be answered any such questions relating to the business being dealt with at the meeting, provided that no such answer need be given if:
 - a. to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;
 - b. the answer has already been given on a website in the form of an answer to a question; or
 - c. it is undesirable in the interests of the company or the good order of the meeting that the question be answered.
14. Members have the right to require the directors of the Company to call a general meeting upon receiving requests to do so from members who hold more than 10% of such of the capital of the Company as carries the right of voting at general meetings of the Company (excluding any capital held as treasury shares) and to require that notice of any resolutions identified in such a request as being intended to be moved at the meeting be circulated with notice of the meeting pursuant to section 204(2) of the Companies (Guernsey) Law, 2008.
15. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
16. As at 21 March 2025 (being the last practicable day prior to the publication of this notice) the Company's issued share capital consisted of 1,021,988,907 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 21 March 2025 were 1,021,988,907 votes.
17. Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairperson of the meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
18. To be validly passed, the special resolution must be passed by a majority of not less than 75%. A resolution passed at the meeting on a show of hands is passed by a majority of not less than 75% if it is passed by not less than 75% of: (a) the members who, being entitled to do so, vote in person on the resolution, and (b) the persons who vote on the resolution as duly appointed proxies of members entitled to vote on it. A resolution passed on a poll taken at a meeting is passed by a majority of not less than 75% if it is passed by members representing not less than 75% of the total voting rights of the members who, being entitled to do so, vote in person or by proxy on the resolution.

Appendix

Articles of Incorporation

As permitted by section 153(2) of The Companies (Guernsey) Law, 2008, the Board is proposing to amend article 122(5) of the existing Articles of Incorporation so as to allow the directors (acting in their entire discretion) to determine the location of board meetings rather than, as is currently the case, the location of the meeting being deemed to take place from where the Chairperson participates at the start of the meeting.

Article 122(5) of the Articles of Incorporation shall be amended as follows:

- (5) A meeting of the directors may consist of a conference between directors some or all of whom are in different places provided that each director who participates in the meeting is able:
 - a. to hear each of the other participating directors addressing the meeting or read what is said or communicated by each of the other directors; and
 - b. if he so wishes, to address each of the other participating directors simultaneously, whether directly, by conference telephone or by any other form of communication equipment (whether in use when this article is adopted or developed subsequently) or by a combination of such methods and provided that they are in constant communication with each other and the directors entitled to attend such meeting so agree.

A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number of directors required to form a quorum. A meeting held in this way shall be deemed to take place at such location as the directors may, acting in their entire discretion, determine the place from where the chairman of the meeting participates at the start of the meeting.

Further shareholder information

Sources of further information on the company

The price of shares is quoted daily in the Financial Times and can also be found on the Company's website at schiehallionfund.com, Trustnet at trustnet.co.uk and on other financial websites. Monthly factsheets are also available on the Baillie Gifford website. These are available from Baillie Gifford on request.

The Schiehallion Fund Identifiers

ISIN	GG00BJ0CDD21
Sedol	BJ0CDD2
Ticker ordinary shares	MNTN
Legal Entity Identifier	213800NQOLJA1JCWXQ56

The ordinary shares and the Company are listed on the London Stock Exchange and their prices are shown in the Financial Times under 'Investment Companies'.

Key dates

The Annual Report and Financial Statements are normally issued in March and the Annual General Meeting will normally be held in May.

Share register enquiries

Computershare Investor Services (Jersey) Limited 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 +44 (0) 370 707 4040 or at info@computershare.co.je.

This helpline also offers an automated self-service functionality (available 24 hours a day, 7 days a week) which allows you to:

- hear the latest share price;
- confirm your current share holding balance; and
- order Change of Address and Stock Transfer forms.

You can also check your holding on the Registrars' website at investorcentre.co.uk. They also offer a free, secure share management website service which allows you to:

- view your share portfolio and see the latest market price of your shares;
- calculate the total market price of each shareholding;
- view price histories and trading graphs;
- change address details; and
- use online dealing services.

To take advantage of this service, please log in at investorcentre.co.uk and enter your shareholder Reference Number and Company Code (this information can be found on your share certificate).

Electronic proxy voting

If you hold stock in your own name you can choose to vote by returning proxies electronically at eproxyappointment.com.

If you have any questions about this service please contact Computershare on +44 (0) 370 707 4040 or at info@computershare.co.uk.

CREST proxy voting

If you are a user of the CREST system (including a CREST Personal Member), you may appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. For further information please refer to the CREST Manual.

Data protection

The Company is committed to ensuring the confidentiality and security of any personal data provided to it. Further details on how personal data is held and processed on behalf of the Company can be found in the privacy policy available on the Company's website schiehallionfund.com.

Automatic exchange of information

In order to fulfil its legal obligations under the Guernsey Common Reporting Standard Legislation relating to the automatic exchange of information, the Company is required to collect and report certain information about certain shareholders.

The legislation will require investment companies to provide personal information to the Guernsey authorities on certain investors who purchase shares in investment funds. As an affected company, The Schiehallion Fund Limited will have to provide information annually to the local authority on the tax residencies of non-UK based certificated shareholders and corporate entities.

Foreign account tax compliance act

Pursuant to the reciprocal information sharing inter governmental agreement entered into by the States of Guernsey and the US Treasury, and for the purposes of the US Foreign Account Tax Compliance Act ('FATCA') of the Company registered with the Internal Revenue Service ('IRS') as a Foreign Financial Institution ('FFI') and received a Global Intermediary Identification Number (R2NXXB.9999.SL.831). The Company can be located on the IRS FFI list.

Alternative Investment Fund Managers ('AIFM') Regulations

In accordance with the Alternative Investment Fund Managers Regulations, information in relation to the Company's leverage and the remuneration of the Company's AIFM, Baillie Gifford & Co Limited, is required to be made available to investors. In accordance with the Directive, the AIFM's remuneration policy is available at bailliegifford.com or on request (see contact details on page 117) and the numerical remuneration disclosures in respect of the AIFM's relevant reporting period are also available at bailliegifford.com.

The Company's maximum and actual leverage levels at 31 January 2025 are shown below:

	Gross method	Commitment method
Maximum limit	1.20:1	1.10:1
Actual	0.99:1	1.00:1

Third party data provider disclaimer

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FTSE Index data

Source: London Stock Exchange Group plc and its group undertakings (collectively, the 'LSE Group'). ©LSE Group 2025. FTSE Russell is a trading name of certain of the LSE Group companies. 'FTSE®' 'Russell®', 'FTSE Russell®', are trade marks of the relevant LSE Group companies and are used by any other LSE Group company under license. All rights in the FTSE Russell indices or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indices or data and no party may rely on any indices or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

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 Schiehallion 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 Stewardship Principles and Guidelines as its policy on integration of sustainability risks in investment decisions.

More detail on the Investment Manager's approach to sustainability can be found in the Stewardship Principles and Guidelines document, available publicly on the Baillie Gifford website [bailliegifford.com](https://www.bailliegifford.com).

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 net assets

Total value of all assets held less current liabilities, other than liabilities in the form of borrowings.

Net asset value

Also described as shareholders' funds, net asset value ('NAV') is the value of total assets less liabilities (including borrowings). The NAV per share is calculated by dividing this amount by the number of ordinary shares or C shares, as applicable, in issue.

Net current assets

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

Premium/(discount) (APM)

As stock markets and share prices vary, the Company's share price is rarely the same as its NAV. When the share price is lower than the NAV per share it is said to be trading at a discount. The size of the discount is calculated by subtracting NAV per share from the share price and is usually expressed as a percentage of the NAV per share. If the share price is higher than the NAV per share, this situation is called a premium.

Ordinary shares		2025	2024
Closing NAV per share	(a)	133.69¢	118.37¢
Closing share price	(b)	108.00¢	71.50¢
(Discount)/premium ((b - a) ÷ (a) expressed as a percentage)		(19.2%)	(39.6%)

Total Return

The total return is the return to shareholders after reinvesting the net dividend on the date that the share price goes ex-dividend. The Company does not pay a dividend, therefore, the one year total returns for the share price and NAV per share at book and fair value are the same as the percentage movements in the share price and NAV per share at book and fair value as detailed on page 20.

Capital deployed (APM)

Capital deployed reflects cumulative amounts invested since inception of the Company.

Internal rate of return (IRR) (APM)

The IRR indicates the annualised rate of return for the Company's investment portfolio.

Gross multiple on invested capital (MOIC) (APM)

The MOIC expresses, as a multiple, how much return the Company has made on investment realisations and income, relative to its book cost.

Ongoing charges (APM)

The total recurring expenses (excluding the Company's costs of dealing in investments and borrowing costs) incurred by the Company as a percentage of the average net asset value.

Ordinary shares		2025 US\$'000	2024 US\$'000
Investment management fee		9,562	8,211
Other administrative expenses		1,956	1,263
Total expenses	(a)	11,518	9,474
Average net asset value	(b)	1,248,889	1,108,288
Ongoing Charges ((a) ÷ (b) expressed as a percentage)		0.92%	0.85%

Leverage (APM)

For the purposes of the Alternative Investment Fund Managers Regulations, 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 US dollar 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.

Average revenue growth rate (APM)

Calculated by taking an average of each investee company's last twelve months revenue growth (as a percentage).

Average movement in company valuation/share price (APM)

Calculated by taking an average of all valuation movements (as a percentage) by portfolio company and by line of portfolio company share class.

Contribution (APM)

Contribution to absolute performance (in US\$ terms) is used to illustrate how an individual stock has contributed to the overall return. It is calculated by taking the average portfolio company weight for the period multiplied by the absolute return. This is calculated on a daily basis and compounded to provide the overall contribution of a portfolio company to the performance of the full portfolio. The absolute return of a portfolio company is determined by calculating the share price movements in that holding whilst taking into account any purchase or sale transactions that have occurred in the period. The absolute return is in US\$ terms and therefore takes into account the foreign exchange movement between the portfolio company's local currency and US dollar.

Company information

Directors

Chairperson: Dr Linda Yueh CBE
John Mackie CBE
Trudi Clark
Richard Holmes

Registrar

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Glategny Esplanade
St Peter Port
Guernsey, Channel Islands GY1 1WR

Administrator, Secretary, Designated Manager and Registered office

Alter Domus (Guernsey) Limited
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Depository

**The Bank of New York Mellon
(International) Limited**
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London EC4V 4LA

Further information

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Baillie Gifford & Co
Calton Square
1 Greenside Row
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T: +44 (0)800 917 2113
enquiries@bailliegifford.com

Investment Manager and Alternative Investment Fund Managers

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T: +44 (0)131 275 2000
bailliegifford.com

Corporate Broker

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Company details

schiehallionfund.com
Company Registration No. 65915
ISIN: GG00BJ0CDD21
Sedol: BJ0CDD2
Ticker: MNTN
Legal Entity Identifier
213800NQOLJA1JCWXQ56

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