Interim
Financial Report

30 June 2024

The Scottish American Investment Company P.L.C. (SAINTS)

Income again and again

Managed by

Baillie Gifford™

SAINTS' objective is to deliver real dividend growth by increasing capital and growing income.

Investment policy

SAINTS' policy is to invest mainly in equity markets, but other investments may be held from time to time including bonds, property and other asset classes.

Benchmark

The portfolio benchmark against which performance has been measured is the FTSE All-World Index (in sterling terms).

In comparing NAV performance to the benchmark, the Company's assets and liabilities are measured at fair value.

Principal risks and uncertainties

The principal risks facing the Company are financial risk, investment strategy risk, discount risk, climate and governance risk, regulatory risk, custody and depositary risk, operational risk, leverage risk, political risk, cyber security risk and emerging risks. An explanation of these risks and how they are managed is set out on pages 41 to 45 of the Company's Annual Report and Financial Statements for the year to 31 December 2023 which is available on the Company's website: **saints-it.com**. The principal risks and uncertainties have not changed since the date of that report.

Responsibility statement

We confirm that to the best of our knowledge:

a. the condensed set of Financial Statements has been prepared in accordance with FRS 104 'Interim Financial Reporting';

b. the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (indication of important events during the first six months, their impact on the Financial Statements and a description of principal risks and uncertainties for the remaining six months of the year); and

c. the Interim Financial Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

By order of the Board
Lord Macpherson of Earl's Court
Chairman
29 July 2024

Baillie Gifford™

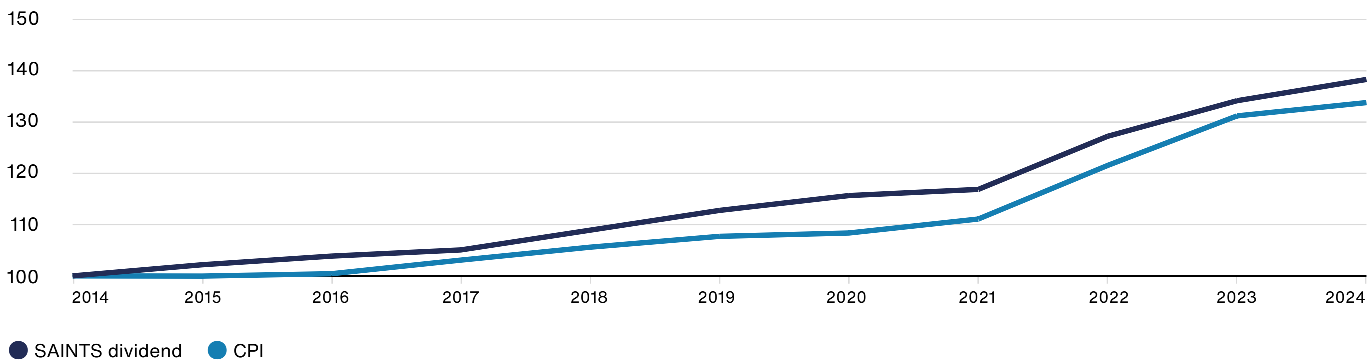
Summary of unaudited results

	30 June 2024	31 December 2023 (audited)	% change
Shareholders' funds	£971.9m	£935.2m	
Net asset value per ordinary share (borrowings at fair value)*	561.7p	539.4p	4.1
Net asset value per ordinary share (borrowings at book value)	545.0p	524.5p	3.9
Share price	513.0p	535.0p	(4.1)
FTSE All-World Index (in sterling terms)†			11.0
Discount – borrowings at fair value*	(8.7%)	(0.8%)	
(Discount)/premium* – borrowings at book value	(5.9%)	2.0%	
Active share*	87%	87%	

	Six months to 30 June 2024	Six months to 30 June 2023	% change
Revenue earnings per share	7.83p	7.64p	2.5
Dividends paid and payable in respect of the period	7.00p	6.75p	3.7

Dividend versus inflation

Ten Year Cumulative to 30 June 2024 (figures rebased to 100 at 30 June 2014)



	Six months to 30 June 2024	Year to 31 December 2023
Total return performance (%)*†		
Net asset value (borrowings at fair value)	5.5	11.8
Net asset value (borrowings at book value)	5.3	12.5
Share price	(2.7)	8.2
FTSE All-World Index (in sterling terms)	12.2	15.7

* Alternative Performance Measure, see Glossary of terms and Alternative Performance Measures on pages 26 and 27.

† Source: LSEG/Baillie Gifford and relevant underlying data providers. See disclaimer on page 25.

Past performance is not a guide to future performance.

Interim management report

In Aesop's well-known fable about the hare and the tortoise, the hare bounds ahead after the gun fires, until, over-confident of victory in a long race, he decides to take a nap. The tortoise meanwhile perseveres at a steady pace, ever-onwards, eventually over-taking the hare and crossing the finish line in first place. Your managers have been reminded of this tale more than once during the past six months, a period when they have looked a little more tortoise than hare. SAINTS' portfolio has undoubtedly made good progress since the start of 2024, with the companies growing their earnings and dividends at a steady pace, and the Company's NAV per share (with borrowings at fair value) rising to a new record during the period. The NAV per share (with borrowings at fair value) was 561.7p as at 30 June 2024, up 4.1% year to date. But the wider stock market has bounded ahead, up nearly 11% over the same period. Your managers have thoroughly scrutinised the holdings in the portfolio, and we firmly believe that all is well: perseverance remains the name of the game. But we owe shareholders an explanation of why the portfolio's performance has recently looked a little more pedestrian than the market.

Equity markets

This has been a remarkable six months for equity markets, with the benchmark FTSE All-World Index rising almost 11%, taking its cumulative rise over the past year to about 18%. This is heady stuff when one considers that over long periods of time the stock market has delivered an annual nominal price return of somewhere around 6-7%. (For those keeping score, the UK market as measured by the FTSE All-Share Index has risen by about 6% per annum since its inception in 1962; the US market as measured by the S&P 500 has risen a little over 7% p.a. during the same period).

Why have equity markets been so strong? If we cast our minds back to this time a year ago, many were fretting deeply about the possibility of a global recession, after a period of swift increases in interest rates to tame inflation. The narrative through the back half of 2023 was that rate hikes would torpedo growth, and equities were not the place to be, particularly with gilts at 5%. Fast-forward to today, however, and that storyline is old news. Economists (and others who make a living forecasting disaster or euphoria) are now optimistic about a 'soft landing' for most economies, and excited about the potential pro-growth benefits of reduced interest rates.

The way this has played out in the stock market is that many cyclical and economically-sensitive companies have seen a dramatic reassessment of their fortunes. A good example is the US banking giant JP Morgan, whose share price has almost doubled in the past twelve months. Or ExxonMobil, which saw its shares rise almost 20% in the first quarter of this year. As these names constitute a sizable part of the stock market, these moves have driven the index higher. This effect accounts for perhaps 1/3 of the underperformance of SAINTS' global equity portfolio against the market over the period.

Alongside 'soft landing euphoria', the other big theme in the stock market of late has been Artificial Intelligence ('AI'). This is best encapsulated by the extraordinary rise in the share price of Nvidia, the semiconductor designer whose chips are, without a doubt, the gold standard for the intense computing power that is required to make AI work. Over the past 12 months Nvidia's revenues have soared as companies fall over themselves to place orders for its chips, excited by the potential of AI to generate profits: or at least, fearful of missing out if they don't. Its share price has soared too, making it one of the world's largest companies by market capitalisation. SAINTS does not own shares in Nvidia, and so its meteoric rise accounts, on its own, for another third of the gap between SAINTS' equity portfolio and the index.

Nvidia, it must be said, is a fascinating conundrum. Without doubt it's a special company, with a visionary leader, and a probably-enduring lead in designing AI chips. But the challenge with investing in Nvidia is that in some ways it is reminiscent of Cisco, or Nortel Networks, in the heady days of the early internet. We are currently in the middle of a capital expenditure phase for AI, where companies are rapidly trying to build capabilities, much as they splurged on Cisco's internet routers and switches to connect to the internet in the mid-1990s, or all those fibre optic cables from Nortel which telecoms companies laid down in an effort to become the pre-eminent carriers of the internet's rapidly-growing data. When customers are in "build it or miss out" mode, revenues at companies like Nvidia can soar upwards.

But history also teaches us, whether we look back at the dotcom capex boom of the 1990s, or indeed the railway-building boom that marked the first investments for SAINTS in 1873, that this will not last forever and that, when there is euphoria, there is a good chance that supply overshoots demand, at least for a while. This can be very painful for companies which sell cables, or locomotives. So there are two reasons that SAINTS does not own Nvidia. The obvious one is that it pays a minimal dividend – it yields 0.02% – but the subtler one is that the investment outcome from here is a long way from the predictable dependability and resilience which, along with growth, is the bedrock of SAINTS' approach.

Long-time shareholders will know that SAINTS is focused on the steady long-term compounding of earnings and dividends. We self-identify as tortoises. We invest in companies which we expect to grow their earnings on average around 10% per annum, faster than the long-term market average of around 5%; indeed actually quite fast for a tortoise! From experience we have found that the most cyclical stocks, like JP Morgan or ExxonMobil, are not usually a good fit with the steady long-term compounding and resilient dividends we seek. Our approach has proved rewarding to shareholders, providing capital and income growth well-ahead of inflation over the long term, with a steady dividend that shareholders can rely on through thick and thin (the last cut was in 1938). But our differentiated approach does mean that SAINTS' portfolio can lag behind in times when cyclical names, or large index constituents which we don't own, are rocketing upwards.

SAINTS' portfolio

While a third of SAINTS, performance gap comes from cyclicals, and another third from not owning Nvidia, the remaining third comes from a residual of ups and downs during the past six months. Let's take a closer look at some of the individual holdings in SAINTS' portfolio.

During the first half of the year, three investments fared particularly well: Schneider Electric, Atlas Copco and Novo Nordisk. All continued to report strong earnings growth. Schneider is benefiting from structural trends towards electrification, as a leader in the provision of low- and medium-voltage electrical equipment, such as boards to manage electrics in buildings. A particularly strong area of growth has been datacenters: these complex buildings require good power management to be efficient. Schneider is seeing good volume and price growth in this business, which is driving earnings and dividend growth.

Atlas Copco also reported continued solid growth, in its businesses ranging from compressors to vacuum pumps, and it has additionally been a beneficiary of the improvement in sentiment towards cyclical names mentioned earlier. Atlas is what we would describe as a light cyclical, rather than a deep cyclical, and therefore fits our philosophy of steady compounding and resilient dividends.

Novo Nordisk continues to see strong demand for its appetite suppressants, which help patients combat weight gain, and during the first half of the year it received news that its 'Wegovy' product has been approved in China, a potentially massive market. We view demand for Novo's pharmaceuticals as more "opex" than "capex" for customers, and with only 1 million patients currently taking Wegovy, out of an estimated 800 million globally who potentially could benefit from it, we see a long runway for further growth.

On the negative side, Sonic Healthcare, the Australia-based operator of a global network of pathologists' labs, saw its earnings and share price fall as the temporary boost to its profits from COVID-related testing, which was still ongoing a year ago, finally dissipated in the recent half year. We have prodded its outlook and continue to believe that rising testing volumes worldwide, positive price/mix from ever-more sophisticated tests ordered by doctors, and ongoing cost control efforts by the company, will drive steady compounding of earnings in the years ahead.

B3, the operator of equity and derivative exchanges in Brazil, also saw a cyclical downturn in trading volumes; we believe this is temporary and its long-term growth potential remains strong. Finally Edenred, the France-based provider of meal and other employee-related vouchers, saw its share price fall after the Italian government said it was re-opening an old investigation into whether the company was complying with the rules of a particular tender some years ago. We continue to investigate this, to make sure nothing untoward has happened, but so far we're comfortable with what we've seen and continue to foresee growth in the years ahead.

Earnings review

We mentioned earlier that we have thoroughly scrutinised the portfolio to check all is in order with SAINTS' investments. This is a reference to an important exercise that we conduct annually: a detailed examination of the financial results of every company in the portfolio. The goal is to check whether the earnings growth of each investment is meeting our expectations. We take each company's latest reported annual results and clean up the numbers to get a clear understanding of the profit growth each has delivered. This is more complicated than it sounds, because many factors distort the headline results of a company: currency moves, acquisitions and disposals, or the treatment of certain accounting items.

Once we have cleaned up the numbers, and have a good read on each company's underlying earnings growth for the past year, we then stack these numbers against their cleaned-up results from previous years. This done, the key metric we look at is five-year compound growth in clean earnings per share. By looking at five-year growth rates we isolate some of the noise from economic cycles or years like 2020. We get a good read on long-term profit progression.

As mentioned above, our philosophy is to invest in steady growth and in practice we look for companies which we expect to compound their EPS by around 10% per annum for a decade or more. This forms the bedrock of delivering above-inflation dividend and capital growth to SAINTS' shareholders. Aiming for 10% should ensure that even if we get some investments wrong, as we inevitably will, and even allowing for lower returns from SAINTS' small non-equity portfolio, the portfolio's capital and dividend growth should have a good likelihood of beating inflation and the broader stock market.

So what did we find, after conducting our review this year? We found that over the last five years, on a capital-weighted basis, the portfolio's companies have successfully delivered slightly above our 10% EPS growth hurdle. (We should note for full transparency this number reflects the current portfolio, which will have changed a bit over the past five years, but as our turnover is low, particularly in relation to complete sales and new purchases, this impact should be modest.)

As one would expect there is a range of outcomes at the stock level. The vast majority of holdings have broadly met or exceeded our growth target, some spectacularly so. The top five include such diverse names as gaming company Netease, stock exchange B3, and sportswear company Anta Sports, all of which have compounded their EPS by more than 15% per annum. It also features two technology-related holdings: TSMC and Microsoft. Apart from Netease, bought at the end of 2020, the other four companies have been held for more than decade.

At the other end of the scale, a few holdings have disappointed. This is almost inevitable in an actively managed portfolio, and is one of the reasons why it is important that SAINTS' portfolio is well diversified. But any holdings that fall short of our growth hurdle are subsequently placed under the microscope. We need to prod them further and have a good think about whether they deserve to continue as holdings ... or should be upgraded.

Two examples. When we conducted this exercise last year we identified Want Want, the Chinese food company, as a holding that had fallen short of our hurdle over the past five years. After conducting further research on the ground in China, investigating whether this had been cyclical or structural, we decided its prospects had deteriorated, and so we sold the shares.

Contrast this with Amadeus, the airline IT company, where EPS growth has been negative over the past five years. Further review has confirmed the major problem it has faced has simply been the slow recovery of air travel since COVID. We are convinced that having bottomed in 2021, its future still looks bright: indeed most of Amadeus' competitors have been hugely weakened during the past few years, and it is now taking market share from them. We believe the next several years are likely to see strong growth of at least 10% p.a (global air travel has indeed just passed its pre-COVID peak) and have concluded that we should continue to hold the shares.

In summary, SAINTS' equity portfolio is meeting our stretching 10% per annum growth target. Excellent growth from the likes of Atlas Copco, TSMC, Microsoft and many more like them is driving good underlying earnings growth. A minority of names has fallen short, but we have them under close inspection and will continue divesting and re-investing where appropriate to ensure that SAINTS remains well-placed for growth in the years ahead. We are confident in the continued strength and prospects for long-term compound growth of the underlying companies.

ESG

We continue to monitor and engage with holdings where we see potential ESG concerns. Recently we have focused on many of the portfolio's Consumer Packaged Goods companies, as these names potentially face challenges to growth from changing expectations around packaging recyclability, nutritional content, supply chain auditing, and similar matters. An example is the emerging debate about so-called "ultra-processed foods" ('UPF'). This area is characterised by nascent science but growing consumer concern.

As part of our review we drew on multiple sources, including speaking to the companies themselves. For example we engaged with Nestlé, speaking with its Deputy Head of Corporate Regulatory and Scientific Affairs and Assistant VP & Global Head of Food and Industry Affairs, to understand their approach to UPF within their portfolio. We had similar conversations at other food and beverage companies.

These conversations have given us confidence that all of our holdings are on the right track. For example when it comes to recyclability, Nestlé has upgraded its packaging to the point that more than 86% is now either recyclable, reusable or compostable. This is quite some way ahead of the average food company, and positions Nestlé well for the future as more and more consumers take care of their environmental footprint.

It is important that companies stay front-of-foot with evolving consumer needs. We believe this is essential to continued growth in the long-term. We are happy to see that SAINTS' holdings are taking this seriously and appear well-positioned for the future.

Other asset classes

An advantage of the investment trust structure is the ability to borrow at attractive rates and long maturities, and invest this for higher returns than the cost of borrowing. SAINTS has modest debt of £95m, implying gearing of less than 10%, with a blended fixed interest rate just below 3%. It invests this in a mix of properties, bonds and infrastructure names.

Performance in these other asset classes is typically mixed over any short-term period, with some doing better and some worse, and this was the case once again in the first half of the year. The infrastructure names and the fixed income portfolio showed negative returns whilst the property portfolio made a positive if modest contribution to returns.

The infrastructure holdings continue to be buffeted by volatile expectations of interest rates. In the UK, we have an investment in renewables through Greencoat UK Wind, and an investment in assets in North America and Europe through BBGI Infrastructure. Both companies have been impacted by widening discounts to NAV during this period of higher interest rates, though we continue to have confidence in the quality of these assets and the cash flows that fund their attractive dividends.

In SAINTS' fixed income portfolio, there was broad weakness in Emerging Markets bonds due to interest rates staying higher for longer than expected. Our investments are mostly in Central and Latin American countries, where interest rates remain much higher than prevailing inflation rates. For example, Mexico's inflation rate has fallen to 4% while its interest rates remain elevated at 11%. This provides investors with a significant return opportunity, particularly given that these Emerging Markets' Central banks are likely to cut interest rates once the US Federal Reserve starts doing so, providing a tailwind to Emerging Markets bonds going forward.

The positive contribution from the property portfolio came from the income generated over the period, with the capital return of the portfolio marginally negative over the period. Property markets have been challenging for the past couple of years, and investors have rightly had questions about the ongoing valuations of properties on the balance sheets of investment trusts. But the manager of SAINTS' properties has steered clear of the most-affected sectors. With property valuations holding up, at least for SAINTS, we hope this provides re-assurance to shareholders. During the past six months, the property managers have continued to look for opportunities to improve the portfolio, both through extending and improving leases and through sales and purchases. The allocation to property has risen over the reporting period, largely due to proceeds from sales towards the end of 2023 being reinvested in two new properties.

Transactions

Our philosophy of finding and holding great companies for the long-term naturally results in fairly low turnover within the portfolio, as long as we are doing our job well. During the first half of 2024, we made a new investment in Swedish drilling equipment company Epiroc, and we divested shares in GSK, Dolby Labs and Kering. More details on the rationale for these transactions follows below.

Epiroc is a Swedish company selling high-value, mission-critical drilling equipment to mining and construction companies. Its expertise in hard-rock drilling and strong track-record of innovation have made Epiroc a global leader in a consolidated industry. There are many structural drivers supporting growing demand for their products and a large and growing installed base of equipment supports steadily-rising demand for new attachments, spare parts and maintenance, which are provided by a strong network of highly-specialised technicians. Representing close to 70% of revenues, this part of the business helps reduce the inherent cyclicality of its end-markets and provides steady cashflows, allowing Epiroc to reinvest for growth whilst paying an attractive and resilient dividend.

GSK is a British pharmaceutical company which we have held for more than 5 years in the portfolio. Our investment case had two main assumptions: that the company would sharpen its commercial focus under new management, and that the appointment of well-respected chief scientific officer, Hal Barron, would lead to a rejuvenation of the company's drug pipeline. Since then, the commercial turnaround has happened, but the second part of our investment case has failed to materialise and indeed Hal Barron left the company.

Dolby, of the ubiquitous logo, makes software for audio and vision applications, such as the sound encoded in broadcast TV. Held since 2012, the shares have delivered a cumulative return of more than 200% (in GBP), or about 10% per annum and slightly ahead of global equities over the period. Although these returns have been solid, we have been underwhelmed by the pace of revenue and profit growth at the company. Our analysis is that structurally, the company faces an ongoing headwind from pricing, whilst its highly technical engineers' pay keeps rising. Dolby is struggling to grow its profits at an attractive rate. We do not see this fundamentally changing and so we have divested from the holding.

Luxury group Kering, owner of brands such as Yves Saint Laurent, has been a successful investment since our first purchase in 2016. At the time, we anticipated a successful turnaround in the fortunes of its flagship brand, Gucci, under a new creative director. This led to several years of strong growth in profits, and ultimately resulted in a cumulative return on our initial investment of ~180%, compared with ~130% for the wider stock market over the same period. However, in the past 18 months, the company appears to have gone off track. The creative director has left, we are not convinced by the new strategy for Gucci, and there has been a great deal of churn in the management team. The company is now quite leveraged, both operationally and financially, and we are concerned that it will see a prolonged period of weak sales and potentially even financial difficulties going forward. With its prospects looking unattractive, we divested from the holding.

As well as funding the purchase of Epiroc the proceeds from these disposals were reinvested in existing holdings. Outside the equity portfolio, notable transactions were two new investments in the property portfolio (inflation-linked rentals from a service station near Gatwick and an industrial warehouse in the south of England) which were funded by disposals from sovereign bonds.

Conclusion and Outlook

SAINTS' NAV per share reached a record level in the first half of the year. The underlying growth of the portfolio remains strong, if a little more 'tortoise' than the market's 'hare'. We remain staunch believers that focusing on companies which steadily compound their earnings and dividends ever-higher will stand SAINTS' shareholders in good stead in the long-term.

Ultimately, we expect this approach to drive not only real capital growth in the portfolio, but also inflation-beating income growth. This is core to SAINTS, objectives: a resilient dividend which grows ahead of UK inflation. All of the equity holdings pay dividends, and over time we expect these dividends to follow earnings growth, underpinning SAINTS' ability to pay a growing dividend to shareholders backed by natural income.

At this half-way point, it is always a little unclear exactly how SAINTS' income growth will play out in the remainder of the year. On the one hand portfolio earnings and dividend growth has been robust. But on the other exchange rates remain an unknown, and recently we have seen Sterling strengthening. As most of SAINTS' investments are outside the UK, this introduces uncertainty to the growth rate in income.

However, the Company is able to draw on reserves if necessary: an advantage of the investment trust structure. With UK inflation trending down towards 2%, we are optimistic that income growth from SAINTS' investments should once again allow the Board to increase the dividend at a rate above inflation. In the meantime your managers will continue to steer the portfolio in pursuit of steady growth, and we will report back again at the full year results.

Baillie Gifford & Co
29 July 2024

List of investments

as at 30 June 2024 (unaudited)

Name	Business	30 June 2024 Value £'000	30 June 2024 % of total assets
Global equities			
Novo Nordisk	Pharmaceutical company	44,843	4.2
Microsoft	Computer software	42,861	4.0
Watsco	Distributes air conditioning, heating and refrigeration equipment	40,817	3.8
Taiwan Semiconductor Manufacturing	Semiconductor manufacturer	40,775	3.8
Fastenal	Distribution and sales of industrial supplies	30,994	2.9
Procter & Gamble	Household product manufacturer	30,142	2.8
Atlas Copco	Engineering	29,482	2.8
Apple	Consumer technology	27,134	2.5
Partners Group	Asset management	26,511	2.5
Schneider Electric	Electrical power products	26,501	2.5
Analog Devices	Integrated circuits	25,112	2.4
Deutsche Boerse	Securities exchange owner/operator	23,331	2.2
Carsales.com	Online marketplace for classified car advertisements	22,989	2.2
Coca Cola	Beverage company	22,626	2.1
Pepsico	Snack and beverage company	22,613	2.1
Wolters Kluwer	Information services and solutions provider	21,418	2.0
Experian	Credit scoring and marketing services	19,733	1.9
Admiral	Car insurance	18,593	1.7
United Parcel Service	Courier services	18,379	1.7
Intuit	Software	17,381	1.6
Roche	Pharmaceuticals and diagnostics	17,097	1.6
Sonic Healthcare	Laboratory testing	16,612	1.6
Nestlé	Food producer	16,465	1.5
Arthur J Gallagher	Insurance broker	16,176	1.5
United Overseas Bank	Commercial banking	13,545	1.3
Anta Sports	Sportswear manufacturer and retailer	13,386	1.3
L'Oréal	Cosmetics	13,234	1.2
Midea Group	Appliance manufacturer	12,258	1.2
McDonald's	Fast food restaurants	12,240	1.2
SAP	Business software developer	12,007	1.1
Edenred	Voucher programme outsourcer	11,439	1.1
Texas Instruments	Semiconductor supplier	11,156	1.0
T. Rowe Price	Fund manager	11,129	1.0
Kuehne + Nagel	Worldwide freight forwarder	11,026	1.0

Name	Business	30 June 2024 Value £'000	30 June 2024 % of total assets
Cisco Systems	Data networking equipment	11,000	1.0
NetEase	Online gaming company	10,832	1.0
Valmet	Manufacturer of pulp and paper machinery	10,789	1.0
Home Depot	Home improvement retailer	10,559	1.0
Coloplast	Manufacturer of medical products	10,558	1.0
B3 S.A.	Securities exchange owner/operator	10,292	1.0
Epiroc	Mining and infrastructure equipment provider	9,837	0.9
AVI	Staple foods manufacturer	8,598	0.8
Starbucks	Coffee retailer	8,575	0.8
Amadeus IT Group	Technology provider for the travel industry	8,360	0.8
USS	Second-hand car auctioneer	8,241	0.8
Hong Kong Exchanges and Clearing	Securities exchange owner/operator	8,029	0.8
Man Wah	Sofa designer and manufacturer	7,806	0.7
Cognex	Industrial automation	7,805	0.7
Diageo	International drinks company	7,452	0.7
Hargreaves Lansdown	UK retail savings and investment platform	7,131	0.7
Albemarle	Producer of speciality and fine chemicals	6,423	0.6
Fevertree Drinks	Producer of premium mixer drinks	5,951	0.6
TCI	Producer of health-food products	5,530	0.5
Medtronic	Medical devices company	5,314	0.5
Pernod Ricard	Global spirits manufacturer	5,313	0.5
Eurofins	Laboratory testing provider	5,220	0.5
Albemarle 7.25% 2027 Pref.	Producer of speciality and fine chemicals	4,335	0.4
Total global equities		**923,955**	**86.6**
Infrastructure equities			
Greencoat UK Wind	UK wind farms	10,362	1.0
Terna	Electricity grid operator	6,093	0.6
BBGI Global Infrastructure	PFI/PPP fund	5,640	0.5
Jiangsu Expressway	Tollroad operator	3,850	0.3
Assura	Primary healthcare property group	3,265	0.3
Exelon	Grid and utility operator	844	0.1
Total infrastructure equities		**30,054**	**2.8**

Name	Business	30 June 2024 Value £'000	30 June 2024 % of total assets
Direct Property	See table on page 11	**93,550**	**8.8**
Bonds			
Euro denominated	Ivory Coast 6.625% 2048	1,361	0.1
US dollar denominated	Dominican Republic 5.875% 30/01/2060	1,821	0.2
	Mexico 5.75% 12/10/2110	1,479	0.1
		3,300	**0.3**
Brazilian real denominated	Brazil CPI Linked 15/05/2045	2,554	0.2
Dominican peso denominated	Dominican Republic 9.75% 05/06/2026	734	0.1
Indonesian rupiah denominated	Indonesia 9% 15/03/2029	2,930	0.3
	Indonesia 7.375% 15/05/2048	1,892	0.2
		4,822	**0.5**
Total bonds		**12,771**	**1.2**
Total investments		**1,060,330**	**99.4**
Net liquid assets		6,278	0.6
Total assets (before deduction of borrowings)		**1,066,608**	**100.0**

Property portfolio

Location	Type	Tenant	30 June 2024 Value £'000	30 June 2024 % of total assets	31 December 2023 Value £'000
Biggleswade*	Warehouse	Sherwin-Williams UK Limited	–	–	5,700
Crawley†	Motorway Services	Moto Hospitality Limited	18,750	1.8	–
Denbigh	Supermarket	Aldi Stores Limited	4,800	0.5	4,800
Earley	Public House	Spirit Pub Company (Managed) Limited (Greene King plc)	2,500	0.2	2,600
Gosport	Supermarket	Aldi Stores Limited	5,550	0.5	5,550
Holyhead	Hotel	Premier Inn Hotels Limited	6,500	0.6	6,550
New Romney	Holiday Village	Park Resorts Limited	19,250	1.8	19,250
Otford	Public House	Spirit Pub Company (Managed) Limited (Greene King plc)	1,700	0.2	1,700
Ringwood	Hotel	Premier Inn Hotels Limited	8,350	0.8	8,650
Southend-on-Sea	Warehouse	Booker Limited	7,900	0.7	7,900
Taunton	Bowling Alley	Mitchells & Butlers Retail (No.2) Limited (sublet to Hollywood Bowl Group plc)	3,650	0.3	3,650
Witney†	Industrial	James Donaldson Group Limited	14,600	1.4	–
			93,550	**8.8**	**66,350**

* Sold during the period.

† Purchased during the period.

Performance attribution for the six months to 30 June 2024

For the six months to 30 June 2024

Portfolio breakdown	Average allocation SAINTS %	Average allocation benchmark * %	Total return † SAINTS %	Total return *† benchmark %
Global equities	95.1	99.9	5.9	
Infrastructure equities‡	3.1	0.1	(4.4)	
Bonds	2.1		(4.4)	
Direct property	9.1		3.1	
Deposits	0.5		–	
Borrowings at book value	(9.9)		1.5	
Portfolio total return (borrowings at book value)			**5.5**	
Other items#			(0.2)	
Fund total return (borrowings at book value)			**5.3**	
Adjustment for change in fair value of borrowings			0.2	
Fund total return (borrowings at fair value)			**5.5**	**12.2**

* The Company's benchmark is the FTSE All-World Index (in sterling terms).

† Alternative performance measure – see glossary of terms and Alternative Performance Measures on pages 26 and 27.

\# Includes Baillie Gifford and OLIM Property Limited management fees.

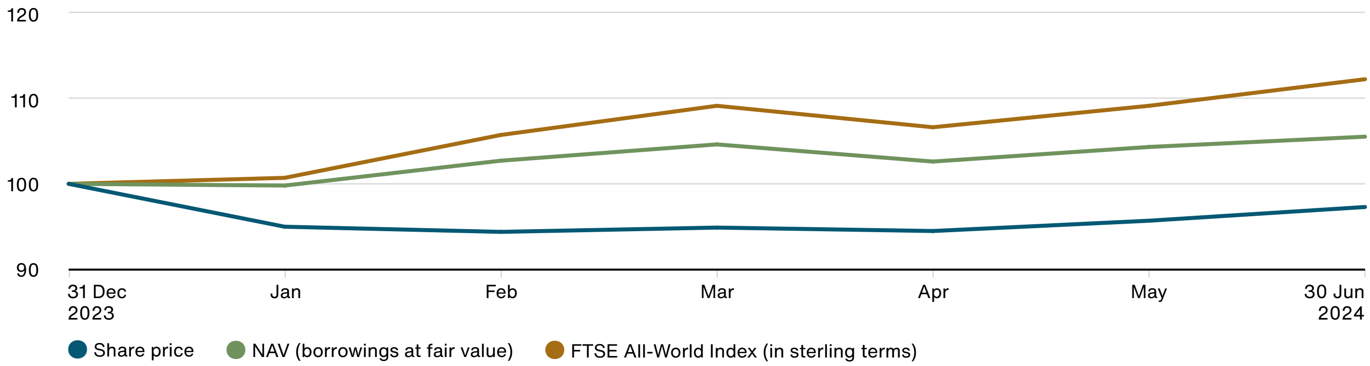
‡ The allocation reflects the six infrastructure equity holdings set out the list of investments on page 9.

Source: Baillie Gifford / LSEG and relevant underlying index providers. See disclaimer on page 25.

Past performance is not a guide to future performance.

Six months total return* performance

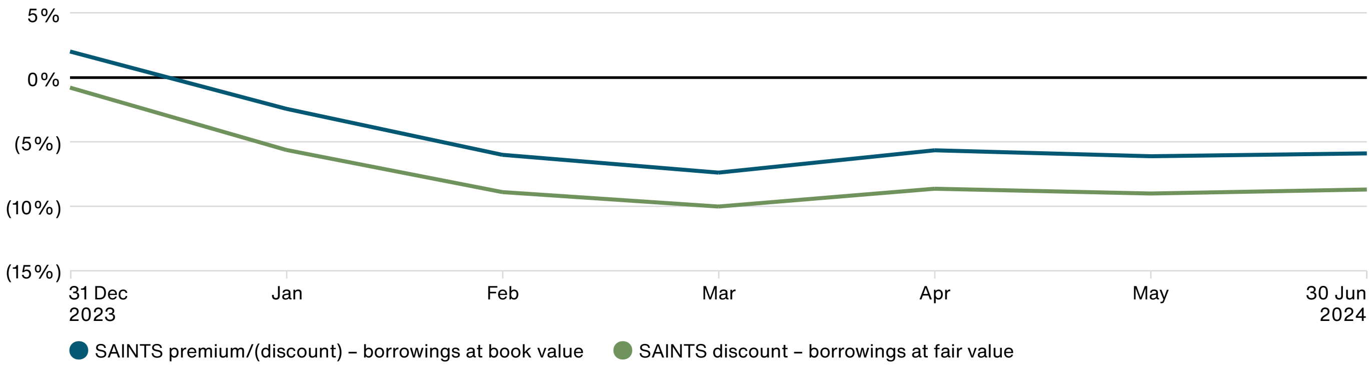
(figures plotted on a monthly basis and rebased to 100 at 31 December 2023)



LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer on page 25.

Premium/(discount)* to Net Asset Value

(figures plotted on a monthly basis)

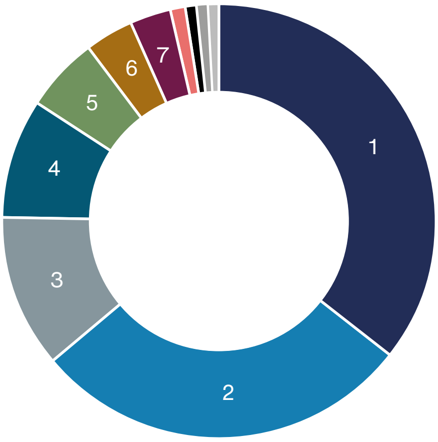


LSEG/Baillie Gifford and relevant underlying index providers. See disclaimer on page 25.

* See Glossary of terms and Alternative Performance Measures on pages 26 and 27.

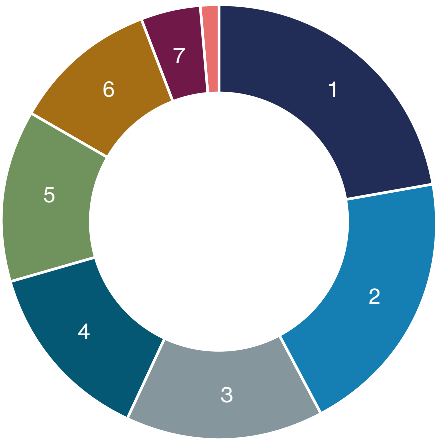
Distribution of portfolio

Geographical at 30 June 2024



		Geographical	% at 30 June 2024	% at 31 December 2023
●	1	Equities: North America	35.6	35.3
●	2	Equities: Europe (ex UK)	28.4	29.0
●	3	Equities: Asia	11.4	9.8
●	4	Direct Property	8.8	6.4
●	5	Equities: United Kingdom	5.6	6.0
●	6	Equities: Australasia	3.8	4.0
●	7	Infrastructure Equities	2.8	2.8
●	8	Bonds	1.2	3.7
●	9	Equities: South America	1.0	1.5
●	10	Equities: Africa and Middle East	0.8	0.7
●	11	Net Liquid Assets	0.6	0.8

Global equities by sector at 30 June 2024



		Sectoral	% at 30 June 2024	% at 31 December 2023
●	1	Technology	22.4	21.2
●	2	Industrials	20.1	19.1
●	3	Financials	14.7	15.1
●	4	Consumer Staples	13.4	13.3
●	5	Consumer Discretionary	12.9	13.0
●	6	Healthcare	10.8	12.4
●	7	Basic Materials	4.5	4.6
●	8	Telecommunications	1.2	1.3

The global equities sector analysis does not include infrastructure equities.


The wild Leutaschklamm near Mittenwald.

Income statement (unaudited)

	Notes	For the six months ended 30 June 2024 Revenue £'000	Capital £'000	Total £'000
Gains on sales of investments – securities		–	23,474	**23,474**
Gains on sales of investments – property		–	1,848	**1,848**
Changes in fair value of investments – securities		–	14,349	**14,349**
Changes in fair value of investments – property		–	(1,859)	**(1,859)**
Currency gains/(losses)		–	81	**81**
Income – dividends and interest		14,670	–	**14,670**
Income – rent and other		2,734	–	**2,734**
Management fees	3	(547)	(1,640)	**(2,187)**
Other administrative expenses		(685)	–	**(685)**
Net return before finance costs and taxation		**16,172**	**36,253**	**52,425**
Finance costs of borrowings		(354)	(1,061)	**(1,415)**
Net return on ordinary activities before taxation		**15,818**	**35,192**	**51,010**
Tax on ordinary activities		(1,861)	468	**(1,393)**
Net return on ordinary activities after taxation		**13,957**	**35,660**	**49,617**
Net return per ordinary share	**4**	**7.83p**	**20.00p**	**27.83p**
Note: **Dividends paid and payable per share**	**5**	**7.00p**		

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

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

A Statement of Comprehensive Income is not required as all gains and losses of the Company have been reflected in the above statement.

The accompanying notes on pages 21 to 23 are an integral part of the Financial Statements.

For the six months ended 30 June 2023 Revenue £'000	Capital £'000	Total £'000	For the year ended 31 December 2023 (audited) Revenue £'000	Capital £'000	Total £'000
–	17,939	**17,939**	–	26,346	**26,346**
–	–	**–**	–	492	**492**
–	38,544	**38,544**	–	65,005	**65,005**
–	(2,167)	**(2,167)**	–	(6,546)	**(6,546)**
–	(39)	**(39)**	–	32	**32**
14,493	–	**14,493**	25,446	–	**25,446**
2,348	–	**2,348**	4,632	–	**4,632**
(514)	(1,542)	**(2,056)**	(1,031)	(3,094)	**(4,125)**
(634)	–	**(634)**	(1,268)	–	**(1,268)**
15,693	**52,735**	**68,428**	**27,779**	**82,235**	**110,014**
(354)	(1,061)	**(1,415)**	(711)	(2,134)	**(2,845)**
15,339	**51,674**	**67,013**	**27,068**	**80,101**	**107,169**
(1,811)	506	**(1,305)**	(3,108)	977	**(2,131)**
13,528	**52,180**	**65,708**	**23,960**	**81,078**	**105,038**
7.64p	**29.46p**	**37.10p**	**13.48p**	**45.63p**	**59.11p**
6.75p			**14.10p**		

Balance sheet (unaudited)

As at 30 June 2024 (with comparatives as at 31 December 2023 audited)

	Notes	At 30 June 2024 £'000	At 31 December 2023 £'000
Non-current assets			
Investments – securities		966,780	955,460
Investments – property		93,550	66,350
		1,060,330	1,021,810
Current assets			
Debtors		4,076	3,549
Cash and deposits		4,271	7,340
		8,347	10,889
Creditors			
Amounts falling due within one year:			
Other creditors and accruals		(2,069)	(2,787)
Net current assets		**6,278**	**8,102**
Total assets less current liabilities		**1,066,608**	**1,029,912**
Creditors			
Amounts falling due after more than one year:			
Loan notes	7	(94,735)	(94,728)
Net assets		**971,873**	**935,184**
Capital and reserves			
Share capital		44,579	44,579
Share premium account		186,100	186,100
Capital redemption reserve		22,781	22,781
Capital reserve		700,552	664,892
Revenue reserve		17,861	16,832
Shareholders' funds		**971,873**	**935,184**
Net asset value per ordinary share*		**545.0p**	**524.5p**
Ordinary shares in issue	8	**178,315,943**	**178,315,943**

* See Glossary of terms and Alternative Performance Measures on pages 26 and 27.

The accompanying notes on pages 21 to 23 are an integral part of the Financial Statements.

Statement of changes in equity (unaudited)

For the six months ended 30 June 2024

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve* £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 January 2024		44,579	186,100	22,781	664,892	16,832	**935,184**
Net return on ordinary activities after taxation		–	–	–	35,660	13,957	**49,617**
Dividends paid	5	–	–	–	–	(12,928)	**(12,928)**
Shareholders' funds at 30 June 2024		**44,579**	**186,100**	**22,781**	**700,552**	**17,861**	**971,873**

For the six months ended 30 June 2023

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve* £'000	Revenue reserve £'000	Shareholders' funds £'000
Shareholders' funds at 1 January 2023		44,188	178,189	22,781	583,814	17,702	**846,674**
Shares issued		363	7,370	–	–	–	**7,733**
Net return on ordinary activities after taxation		–	–	–	52,180	13,528	**65,708**
Dividends paid in the year	5	–	–	–	–	(12,348)	**(12,348)**
Shareholders' funds at 30 June 2023		**44,551**	**185,559**	**22,781**	**635,994**	**18,882**	**907,767**

* The Capital Reserve balance at 30 June 2024 includes unrealised investment holding gains of £37,812,000 (30 June 2023 – gains of £317,109,000).

The accompanying notes on pages 21 to 23 are an integral part of the Financial Statements.

Condensed cash flow statement (unaudited)

	Six months to 30 June 2024 £'000	Six months to 30 June 2023 £'000
Cash flows from operating activities		
Net return on ordinary activities before taxation	51,010	67,013
Net gains on investments – securities	(37,823)	(56,483)
Net losses on investments – property	11	2,167
Currency (gains)/losses	(81)	39
Finance costs of borrowings	1,415	1,415
Overseas withholding tax	(1,383)	(1,291)
Changes in debtors	(537)	(687)
Changes in creditors	(704)	73
Other non-cash changes	29	80
Cash from operations	**11,937**	**12,326**
Interest paid	(1,415)	(1,422)
Net cash inflow from operating activities	**10,522**	**10,904**
Cash flows from investing activities		
Acquisitions of investments – securities	(48,888)	(68,321)
Acquisitions of investments – property	(32,865)	(14,967)
Disposals of investments – securities	75,355	75,535
Disposals of investments – property	5,654	–
Net cash outflow from investing activities	**(744)**	**(7,753)**
Cash flows from financing activities		
Equity dividends paid	(12,928)	(12,348)
Shares issued	–	7,734
Net cash outflow from financing activities	**(12,928)**	**(4,614)**
Decrease in cash and cash equivalents	(3,150)	(1,463)
Exchange movements	81	(39)
Cash and cash equivalents at start of period*	7,340	4,184
Cash and cash equivalents at end of period*	**4,271**	**2,682**

* Cash and cash equivalents represent cash at bank.

The accompanying notes on pages 21 to 23 are an integral part of the Financial Statements.

Notes to the condensed Financial Statements (unaudited)

01 Basis of Accounting

The condensed Financial Statements for the six months to 30 June 2024 comprise the statements set out on the previous pages together with the related notes on pages 21 to 23. They have been prepared in accordance with FRS 104 'Interim Financial Reporting' and the AIC's Statement of Recommended Practice issued in November 2014 and updated in July 2022 with consequential amendments. They have not been audited or reviewed by the Auditor pursuant to the Auditing Practices Board Guidance on 'Review of Interim Financial Information'. The Financial Statements for the six months to 30 June 2024 have been prepared on the basis of the same accounting policies as set out in the Company's Annual Report and Financial Statements at 31 December 2023.

Going concern

The Directors have considered the nature of the Company's principal risks and uncertainties, as set out on the inside front cover, together with its current position. The Board has, in particular, considered heightened geopolitical tensions and conflicts and macroeconomic concerns, including increased inflation and interest rates, but does not believe the Company's going concern status is affected. In addition, the Company's investment objective and policy, its assets and liabilities and projected income and expenditure, together with the Company's dividend policy, have been taken into consideration and it is the Directors' opinion that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company's assets, the majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly. All borrowings require the prior approval of the Board. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis. The Company has no short term borrowings. The redemption dates for the Company's loan notes are June 2036, April 2045 and April 2049. Accordingly, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing these Financial Statements and confirm that they are not aware of any material uncertainties which may affect the Company's ability to continue to do so over a period of at least twelve months from the date of approval of these Financial Statements.

02 Financial Information

The financial information contained within this Interim Financial Report does not constitute statutory accounts as defined in sections 434 to 436 of the Companies Act 2006. The financial information for the year ended 31 December 2023 has been extracted from the statutory accounts which have been filed with the Registrar of Companies. The Auditor's Report on those accounts was not qualified, and did not contain statements under sections 498(2) or (3) of the Companies Act 2006.

03 Investment Manager

Baillie Gifford & Co Limited, a wholly owned subsidiary of Baillie Gifford & Co, has been appointed by the Company as its Alternative Investment Fund Manager (AIFM) and Company Secretary. The investment management function has been delegated to Baillie Gifford & Co. The management agreement can be terminated on six months' notice. The annual management fee, calculated quarterly, is 0.45% on the first £500m of total assets and 0.35% on the remaining total assets, where 'total assets' is defined as the total value of the assets held, excluding the value of the property portfolio, less all liabilities (other than any liability in the form of debt intended for investment purposes).

As AIFM, Baillie Gifford & Co Limited has delegated the management of the property portfolio to OLIM Property Limited. OLIM receives an annual fee from SAINTS of 0.5% of the value of the property portfolio, subject to a minimum quarterly fee of £6,250. The agreement can be terminated on three months' notice.

04 Net return per ordinary share

	Six months to 30 June 2024 £'000	Six months to 30 June 2023 £'000
Revenue return on ordinary activities after taxation	13,957	13,528
Capital return on ordinary activities after taxation	35,660	52,180
Total net return	**49,617**	**65,708**
Weighted average number of ordinary shares in issue	**178,315,943**	**177,095,723**

05 Dividends

	Six months to 30 June 2024 £'000	Six months to 30 June 2023 £'000
Amounts recognised as distributions in the period:		
Previous year's final of 3.80p (2023 – 3.67p), paid 11 April 2024	6,776	6,487
First interim of 3.45p (2023 – 3.30p), paid 20 June 2024	6,152	5,861
	12,928	**12,348**
Amounts paid and payable in respect of the period:		
First interim of 3.45p (2023 – 3.30p), paid 20 June 2024	6,152	5,861
Second interim of 3.55p (2023 – 3.45p)	6,330	6,152
	12,482	**12,013**

The second interim dividend was declared after the period end date and therefore has not been included as a liability in the Balance sheet. It is payable on 19 September 2024 to shareholders on the register at the close of business on 9 August 2024. The ex-dividend date is 8 August 2024. The Company's Registrar offers a Dividend Reinvestment Plan and the final date for elections for this dividend is 29 August 2024.

06 Fair value hierarchy

The fair value hierarchy used to analyse the basis on which the fair values of financial instruments held at fair value through the profit or loss account are measured is described below. Fair value measurements are categorised on the basis of the lowest level input that is significant to the fair value measurement.

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

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

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

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

As at 30 June 2024	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Securities				
Listed equities*	954,009	–	–	**954,009**
Bonds	–	12,771	–	**12,771**
Property				
Freehold	–	–	93,550	**93,550**
Total financial asset investments	**954,009**	**12,771**	**93,550**	**1,060,330**

As at 31 December 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Securities				
Listed equities	917,594	–	–	**917,594**
Bonds	–	37,866	–	**37,866**
Property				
Freehold	–	–	66,350	**66,350**
Total financial asset investments	**917,594**	**37,866**	**66,350**	**1,021,810**

* This includes £4,335,000 of Albemarle 7.25% 2027 preference shares.

There have been no transfers between levels of the fair value hierarchy during the period. The fair value of listed investments is bid value or, in the case of holdings on certain recognised overseas exchanges, last traded price. They are categorised as Level 1 if they are valued using unadjusted quoted prices for identical instruments in an active market and Level 2 if they do not meet all these criteria but are, nonetheless, valued using market data. The fair value of unlisted investments is determined using valuation techniques, determined by the Directors, based upon observable and/or non-observable data such as latest dealing prices, stockbroker valuations, net asset values and other information, as appropriate. The Company's holdings in unlisted investments are categorised as Level 3 as the valuation techniques applied include the use of non-observable data.

07 Bank loans

At 30 June 2024, the book value of the borrowings was £94,735,000 (31 December 2023 – £94,728,000) and the fair value was £64,978,000 (31 December 2023 – £68,155,000). The debt comprises long-term private placement loan notes: £15 million with a coupon of 2.23% issued in 2021 which mature in 2036, £40 million with a coupon of 3.12% issued in 2022 which mature in 2045 and £40 million with a coupon of 3.12% issued in 2022 which mature in 2049.

08 Share capital

At 30 June 2024, the Company had the authority to buy back 26,729,559 ordinary shares and to issue 17,831,594 ordinary shares without application of pre-emption rights in accordance with the authorities granted at the AGM in April 2024. During the six months to 30 June 2024, no shares were issued. (31 December 2023 – 1,565,000 shares were issued at a premium to net asset value raising proceeds of £8,302,000). During the six months to 30 June 2024, no shares were bought back (31 December 2023 – nil).

09 Related party transactions

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

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

Further shareholder information

How to invest

The Company's shares are traded on the London Stock Exchange. They can be bought through a stockbroker or by asking a professional adviser to do so. If you are interested in investing directly in SAINTS, you can do so online. There are a number of companies offering real time online dealing services. Find out more by visiting the investment trust pages at **bailliegifford.com**.

Client Relations Team contact details

You can contact the Baillie Gifford Client Relations Team by telephone (your call may be recorded for training or monitoring purposes), email or post. See contact details in the Company Information on page 29.

Share register enquiries

Computershare Investor Services PLC maintains the share register on behalf of the Company. In the event of queries regarding shares registered in your own name, please contact the Registrars on 0370 707 1282.

Dividend Reinvestment Plan

Computershare operate a Dividend Reinvestment Plan which can be used to buy additional shares instead of receiving your dividend via cheque or into your bank account. For further information log in to **investorcentre.co.uk** and follow the instructions or telephone 0370 707 1694.

Automatic exchange of information

In order to fulfil its obligations under UK tax legislation relating to the automatic exchange of information, The Scottish American Investment Company P.L.C. is required to collect and report certain information about certain shareholders.

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

Shareholders, excluding those whose shares are held in CREST, who come on to the share register will be sent a certification form for the purposes of collecting this information. For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders **gov.uk/government/publications/exchange-of-information-account-holders**.

Third party data provider disclaimer

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

No Provider has any obligation to update, modify or amend the data or to otherwise notify a recipient thereof in the event that any matter stated herein changes or subsequently becomes inaccurate.

Without limiting the foregoing, no Provider shall have any liability whatsoever to you, whether in contract (including under an indemnity), in tort (including negligence), under a warranty, under statute or otherwise, in respect of any loss or damage suffered by you as a result of or in connection with any opinions, recommendations, forecasts, judgements, or any other conclusions, or any course of action determined, by you or any third party, whether or not based on the content, information or materials contained herein.

FTSE Index data

Risk Warnings

Past performance is not a guide to future performance. The Company is listed on the London Stock Exchange and is not authorised or regulated by the Financial Conduct Authority. The staff of Baillie Gifford & Co and SAINTS Directors may hold shares in SAINTS and may buy or sell such shares from time to time. Further details of the risks associated with investing in the Company, including how charges are applied, can be found at **saints-it.com**, or by calling Baillie Gifford on 0800 917 2112. (Your call may be recorded for training or monitoring purposes). The information and opinions expressed within this Interim Financial Report are subject to change without notice. This information has been issued and approved by Baillie Gifford & Co Limited, the Managers and Secretaries, and does not in any way constitute investment advice.

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

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

Total assets

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

Net Asset Value ('NAV')

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

Net Asset Value (borrowings at book value)

Borrowings are valued at adjusted net issue proceeds. Book value approximates amortised cost.

Net Asset Value (borrowings at fair value) (APM)

Borrowings are valued at an estimate of their market worth. This indicates the cost to the Company of repaying its borrowings under current market conditions. It is a widely reported measure across the investment trust industry.

Net Asset Value

	30 June 2024	31 December 2023
Shareholders' funds (borrowings at book value)	£971,873,000	£935,184,000
Add: book value of borrowings	£94,735,000	£94,728,000
Less: fair value of borrowings	(£64,978,000)	(£68,155,000)
Shareholders' funds (borrowings at fair value)	**£1,001,630,000**	**£961,757,000**
Shares in issue	178,315,943	178,315,943
Net Asset Value per ordinary share (borrowings at fair value)	**561.7p**	**539.4p**

Ongoing Charges (APM)

The total expenses (excluding borrowing costs) incurred by the Company as a percentage of the average net asset value (with borrowings at fair value). The ongoing charges have been calculated on the basis prescribed by the Association of Investment Companies.

Performance Attribution (APM)

Analysis of how the Company achieved its performance relative to its benchmark.

Premium/(discount) (APM)

As stockmarkets and share prices vary, an investment trust'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 the share price from the NAV per share 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.

	30 June 2024 NAV (book)	30 June 2024 NAV (fair)	31 December 2023 NAV (book)	31 December 2023 NAV (fair)
Closing NAV per share	545.0p	561.7p	524.5p	539.4p
Closing share price	513.0p	513.0p	535.0p	535.0p
Premium/(discount)	**(5.9%)**	**(8.7%)**	**2.0%**	**(0.8%)**

Total Return (APM)

The total return is the return to shareholders after reinvesting the net dividend on the date that the share price goes ex-dividend.

		30 June 2024 NAV (book)	30 June 2024 NAV (fair)	30 June 2024 share price	31 December 2023 NAV (book)	31 December 2023 NAV (fair)	31 December 2023 share price
Opening NAV per share/share price	(a)	524.5p	539.4p	535.0p	479.0p	495.5p	508.0p
Closing NAV per share/share price	(b)	545.0p	561.7p	513.0p	524.5p	539.4p	535.0p
Dividend adjustment factor*	(c)	1.01339	1.01317	1.01481	1.027628	1.026683	1.027273
Adjusted closing NAV per share/share price	(d)=(b)x(c)	552.3p	569.1p	520.6p	539.0p	553.8p	549.6p
Total return	(d)÷(a) -1	**5.3%**	**5.5%**	**(2.7%)**	**12.5%**	**11.8%**	**8.2%**

* The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the cum income NAV/share price, as appropriate, at the ex-dividend date.

Gearing (APM)

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

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

Equity gearing is the Company's borrowings adjusted for cash, bonds and property expressed as a percentage of shareholders' funds.

Leverage (APM)

For the purposes of the Alternative Investment Fund Managers (AIFM) 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 sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

Active Share (APM)

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

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 SAINTS 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 ESG Principles and Guidelines as its policy on integration of sustainability risks in investment decisions.

Baillie Gifford & Co believes that a company cannot be financially sustainable in the long run if its approach to business is fundamentally out of line with changing societal expectations. It defines 'sustainability' as a deliberately broad concept which encapsulates a company's purpose, values, business model, culture, and operating practices.

Baillie Gifford & Co's approach to investment is based on identifying and holding high quality growth businesses that enjoy sustainable competitive advantages in their marketplace. To do this it looks beyond current financial performance, undertaking proprietary research to build up an in-depth knowledge of an individual company and a view on its long-term prospects. This includes the consideration of sustainability factors (environmental, social and/or governance matters) which it believes will positively or negatively influence the financial returns of an investment. The likely impact on the return of the portfolio from a potential or actual material decline in the value of investment due to the occurrence of an environmental, social or governance event or condition will vary and will depend on several factors including but not limited to the type, extent, complexity and duration of an event or condition, prevailing market conditions and existence of any mitigating factors.

Whilst consideration is given to sustainability matters, there are no restrictions on the investment universe of the Company, unless otherwise stated within in its Investment Objective & Policy. Baillie Gifford & Co can invest in any companies it believes could create beneficial long-term returns for investors. However, this might result in investments being made in companies that ultimately cause a negative outcome for the environment or society.

More detail on the Investment Managers' approach to sustainability can be found in the ESG Principles and Guidelines document, available publicly on the Baillie Gifford website **bailliegifford.com** and by scanning the QR code below.

The underlying investments do not take into account the EU criteria for environmentally sustainable economic activities established under the EU Taxonomy Regulation.

Company information

Directors

Chairman: Lord Macpherson of Earl's Court, GCB

Karyn Lamont, CA
Dame Mariot Leslie
Christine Montgomery
Padmesh Shukla

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Company Registration No. SC000489

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Sedol: 0787369

Ticker: SAIN

Legal Entity Identifier:
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Further information

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