

Baillie Gifford™

Global Core Quarterly Update

31 December 2024



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**Calton Square, 1 Greenside Row, Edinburgh EH1 3AN
Telephone +44 (0)131 275 2000 bailliegifford.com**

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Past performance is not a guide to future returns. Changes in investment strategies, contributions or withdrawals may materially alter the performance and results of the portfolio. Material market or economic conditions will have an impact on investment results. The returns presented in this document are gross of fees unless otherwise stated and reflect the reinvestment of dividends and interest.

Historical performance results for investment indexes and/or categories, generally do not reflect the deduction of transaction costs and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It should not be assumed that recommendations/ transactions made in the future will be profitable or will equal performance of the securities mentioned.

Potential for Profit and Loss

All investment strategies have the potential for profit and loss.

Stock Examples

Any stock examples, or images, used in this paper are not intended to represent recommendations to buy or sell, neither is it implied that they will prove profitable in the future. It is not known whether they will feature in any future portfolio produced by us. Any individual examples will represent only a small part of the overall portfolio and are inserted purely to help illustrate our investment style. A full list of portfolio holdings is available on request.

The commentary relates to the above mentioned strategy and not all stocks mentioned may be held in the portfolio.

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Product Overview

Global Core is a long-term, global equity strategy that invests in a selection of the most attractive growth companies from around the world. It combines the specialised knowledge of Baillie Gifford’s regional equity teams with the experience of some of our most senior investors.

Risk Analysis

Key Statistics

Number of Holdings	172
Typical Number of Holdings	150-200
Active Share	79%*
Rolling One Year Turnover	24%

* Relative to MSCI World Index.

The final quarter of 2024 was a mixed picture for global equity markets

US stock markets delivered strong returns, rounding off an extraordinary year

Our focus remains on owning a portfolio of exceptional growth companies, with strong management teams capable of executing on their long-term potential



Baillie Gifford Key Facts

Assets under management and advice	US\$272.3bn
Number of clients	613
Number of employees	1682
Number of investment professionals	375

Market environment

The final quarter of 2024 was a mixed picture for global equity markets.

The United States performed well, and investors responded positively to President Donald J. Trump's re-election in early November. But the wider frame is big tech. Breakthroughs in artificial intelligence (AI) have driven extraordinary US stock market returns for the second year running. Despite weakness in late December when the Federal Reserve warned over the pace of interest rate cuts, US equity returns for the quarter were strong.

Moving East, the UK's broadest index, the FTSE All-Share posted a marginal loss in the last three months. Europe and Developed Asian indices also lost value. These markets were affected by negative macroeconomic sentiment. The European Central Bank and the Bank of England revised their growth prospects downwards, while Asian exports are threatened by Trumpian tariffs and weakened Chinese demand.

Performance

The Portfolio delivered a positive return over the quarter and outperformed the benchmark.

Some of the newer additions to the Portfolio performed strongly this quarter. The top contributor was AppLovin, a US mobile advertising business. AppLovin sells adverts and takes a cut of any purchase that results. By positioning itself on both sides of the transaction, it has collected lots of data about how to place adverts effectively. Recent strong results have prompted the stock market to positively reassess its prospects. The shares have risen significantly since our initial purchase in September 2024, but we think there is a lot more to come.

Netflix, the US streaming giant, also contributed to returns. The share price has almost doubled in 2024 due to impressive revenue and profit growth. Netflix has grown by putting up prices while increasing subscribers. Recognising its strong share price performance, we trimmed the holding in December.

Elevance Health and Stella-Jones detracted from performance.

Elevance Health has had a tough year. The US health services company has a large customer base of Medicaid recipients. This group recently shrunk following eligibility reappraisals, and the market is concerned that Elevance's exposure to Medicaid

customers makes it vulnerable in a Trump presidency. We view Elevance as a critical piece of US healthcare infrastructure that can get back to steady compound growth as it works through a tricky adjustment.

Stella-Jones dominates the supply of timber utility poles in North America. The US needs many more poles to expand and modernise its grid, so Stella-Jones should benefit from both volume and pricing growth. The share price fell after the company announced that it does not expect to raise prices due to pressures on the utility companies that buy its products. We think this is a temporary issue, which we expect Stella-Jones to resolve in the coming years.

Notable transactions

In the last quarter, we sold several European businesses to reduce the number of holdings and focus on ideas in which we have stronger conviction. Notably, shares in Mettler-Toledo, a Swiss company that makes scales and measures, have appreciated over 12.5x since we bought them in 2010. We sold the stock after its valuation surpassed our expectations for future growth.

Mergers & Acquisitions activity in the UK portion of the portfolio prompted two complete sales. We exited longstanding holding, Hargreaves Lansdown after shareholders voted to accept a takeover bid from a private equity consortium. Although we were disappointed by the price for the UK's largest investment platform, it was a significant increase on the consortium's first offer in April this year.

In November, shareholders in UK drug discovery firm Exscientia voted on a merger with US-listed Recursion Pharmaceuticals. We voted against the proposal to create a US-listed merged entity, Recursion because the deal would force the UK team to sell the stock. However, the proposal was approved and we sold the received Recursion stock as early as practicable.

Global Core seeks exposure to a broad range of growth companies across developed market equities. This quarter we added diverse names such as UK greetings card innovator Moonpig, US beauty firm e.l.f. Beauty and Dutch semiconductor equipment manufacturer ASM International.

Market Outlook

On a global view, inflation appears generally contained, and interest rates are likely past their peaks. Although there is weakness in some regions, global equity markets should benefit from economic growth.

If stickier-than-expected inflation causes interest rates to remain higher for longer, the best defence is a strong portfolio. The businesses represented by the Global Core Strategy have robust balance sheets and are making good progress.

Absolute performance over the past year has been positive. The portfolio is in a strong position. Our focus remains on owning exceptional growth companies, with strong management teams capable of executing on their long-term potential.

Performance Objective

+1-2% p.a. over rolling 3 year periods vs index.

The performance objective is aspirational and is not guaranteed. We don't use it to compile the portfolio and returns will vary. A single performance objective may not be appropriate across all vehicles and jurisdictions. We may not meet our investment objectives if, for example, our growth investment style is out of favour, or we misjudge the long-term earnings growth of our holdings.

Periodic Performance

GBP	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	8.0	7.0	1.0
1 Year	18.2	21.3	-3.1
3 Year	-0.2	9.7	-9.9
5 Year	10.9	13.0	-2.0
10 Year	13.6	13.0	0.6
Since Inception	13.3	13.1	0.3
USD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	0.9	-0.1	0.9
1 Year	16.2	19.2	-3.0
3 Year	-2.8	6.9	-9.6
5 Year	9.7	11.7	-2.0
10 Year	11.1	10.5	0.6
Since Inception	11.2	11.0	0.3
EUR	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	8.7	7.7	1.0
1 Year	23.9	27.2	-3.2
3 Year	0.3	10.2	-9.9
5 Year	11.5	13.5	-2.0
10 Year	12.8	12.3	0.6
Since Inception	13.6	13.4	0.3
CAD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	7.4	6.4	1.0
1 Year	26.7	30.0	-3.3
3 Year	1.5	11.6	-10.0
5 Year	12.0	14.0	-2.0
10 Year	13.5	12.9	0.6
Since Inception	14.3	14.1	0.3
AUD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	13.0	12.0	1.0
1 Year	28.0	31.4	-3.3
3 Year	2.6	12.7	-10.1
5 Year	12.5	14.6	-2.1
10 Year	14.2	13.6	0.6
Since Inception	14.9	14.6	0.3

Annualised periods ended 31 December 2024. 3 Month & 1 Year figures are not annualised.

Inception date: 31 August 2013

Figures may not sum due to rounding.

Benchmark is MSCI World Index.

Source: Revolution, MSCI.

The Global Core composite is more concentrated than the MSCI World Index.

Discrete Performance

GBP	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	43.3	17.9	-26.0	13.7	18.2
Benchmark (%)	12.9	23.5	-7.4	17.4	21.3
USD	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	47.9	16.8	-34.3	20.5	16.2
Benchmark (%)	16.5	22.3	-17.7	24.4	19.2
EUR	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	35.7	25.7	-30.0	16.4	23.9
Benchmark (%)	6.9	31.6	-12.3	20.2	27.2
CAD	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	45.3	15.8	-29.6	17.3	26.7
Benchmark (%)	14.5	21.3	-11.8	21.1	30.0
AUD	31/12/19- 31/12/20	31/12/20- 31/12/21	31/12/21- 31/12/22	31/12/22- 31/12/23	31/12/23- 31/12/24
Composite Net (%)	34.7	24.0	-29.6	19.8	28.0
Benchmark (%)	6.1	29.9	-11.8	23.6	31.4

Benchmark is MSCI World Index.

Source: Revolution, MSCI.

The Global Core composite is more concentrated than the MSCI World Index.

Stock Level Attribution

Top and Bottom Ten Contributors to Relative Performance

Quarter to 31 December 2024

Stock Name	Contribution (%)
AppLovin	0.7
Shopify	0.4
Netflix	0.4
DoorDash	0.2
Arista Networks	0.2
Datadog	0.2
Cloudflare	0.2
Booking Holdings	0.2
Block	0.2
Paycom Software	0.2
Elevance Health	-0.4
Apple	-0.4
Broadcom	-0.4
Stella-Jones	-0.3
Advanced Drainage Systems	-0.2
Thermo Fisher Scientific	-0.2
Installed Building Products	-0.2
Enphase Energy	-0.2
Moderna	-0.2
Hershey	-0.2

One Year to 31 December 2024

Stock Name	Contribution (%)
AppLovin	0.7
Netflix	0.6
Arista Networks	0.6
DoorDash	0.5
The Trade Desk	0.4
Meta Platforms	0.4
Spotify	0.3
CBRE Group	0.3
NVIDIA	0.3
Intel Corporation	0.2
Broadcom	-0.6
Elevance Health	-0.5
Moderna	-0.5
Apple	-0.5
Estee Lauder	-0.5
CoStar Group	-0.4
Dexcom	-0.4
Hershey	-0.3
Charles River Laboratories	-0.3
Enphase Energy	-0.3

Source: Revolution, MSCI. Global Core composite relative to MSCI World Index.

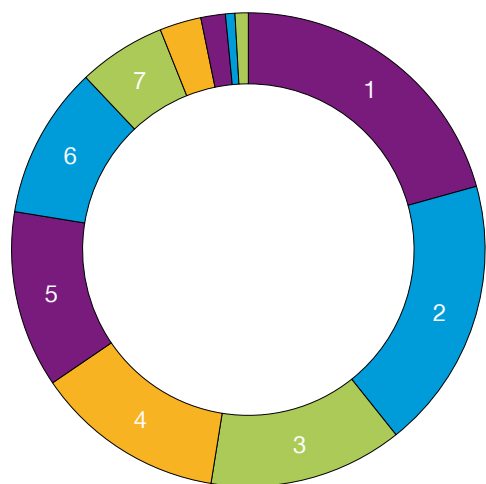
The holdings identified do not represent all of the securities purchased, sold or held during the measurement period. Past performance does not guarantee future returns. A full list showing all holdings' contributions to the portfolio's performance and a description on how the attribution is calculated is available on request. Some stocks may not have been held for the whole period. All attribution figures are calculated gross of fees, relative to the index from stock level up, based on closing prices. As attribution is shown relative to the benchmark, not all stocks shown are held in the portfolio.

Top Ten Largest Holdings

Stock Name	Description of Business	% of Portfolio
NVIDIA	Designer of Graphics Processing Units and accelerated computing technology	2.9
Microsoft	Technology company offering software, hardware and cloud services	2.7
Shopify	Cloud-based commerce platform provider	2.4
Amazon.com	E-commerce, computing infrastructure, streaming and more	2.3
Netflix	Streaming platform	2.2
Meta Platforms	Social media and advertising platform	2.1
Alphabet	Search platform, software, cloud services and more	2.1
DoorDash	Provides restaurant food delivery services	1.7
Arista Networks	Provides cloud networking solutions for data-centres and computer environments	1.7
Hershey Foods Corporation	The Hershey Co is a snack food company and a North American manufacturer of chocolate and non-chocolate confectionary products.	1.5
Total		21.7

Figures may not sum due to rounding.

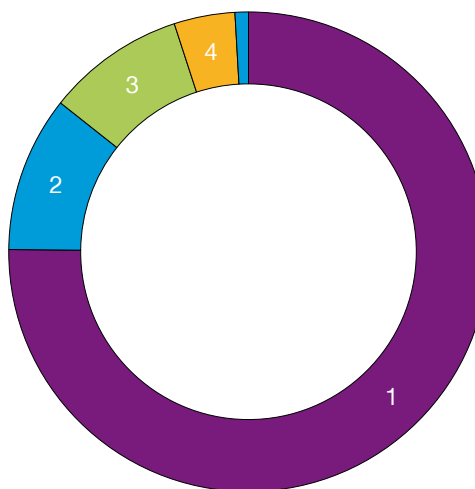
Sector Weights



	%
1 Information Technology	20.7
2 Consumer Discretionary	18.6
3 Communication Services	13.2
4 Health Care	13.0
5 Financials	12.1
6 Industrials	10.4
7 Consumer Staples	6.0
8 Materials	2.8
9 Real Estate	1.7
10 Energy	0.6
11 Cash	0.9

Figures may not sum due to rounding.

Regional Weights



	%
1 North America	75.1
2 Europe (ex UK)	10.5
3 Developed Asia Pacific	9.3
4 UK	4.1
5 Cash	0.9

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	19	Companies	5	Companies	None
Resolutions	160	Resolutions	13	Resolutions	None

Company Engagement

Engagement Type	Company
Environmental	Amazon.com, Inc., Analog Devices, Inc., BHP Group Limited, Enphase Energy, Inc., Fast Retailing Co., Ltd., Instalco AB (publ), Insulet Corporation, Moderna, Inc., NIKE, Inc., Sea Limited, Shopify Inc., Tencent Holdings Limited, Tesla, Inc., The Trade Desk, Inc., Washington H. Soul Pattinson and Company Limited
Social	Albemarle Corporation, Amazon.com, Inc., Cloudflare, Inc., CyberAgent, Inc., Fast Retailing Co., Ltd., Insulet Corporation, LY Corporation, NIKE, Inc., Sea Limited, Tencent Holdings Limited, The Trade Desk, Inc.
Governance	AIA Group Limited, ASML Holding N.V., Albemarle Corporation, Allegro.eu S.A., Amazon.com, Inc., Analog Devices, Inc., AppLovin Corporation, Burberry Group plc, CBRE Group, Inc., Compagnie Financière Richemont SA, CyberAgent, Inc., Enphase Energy, Inc., Fast Retailing Co., Ltd., Games Workshop Group PLC, Genus plc, IDP Education Limited, Kinnevik AB, LY Corporation, MarketAxess Holdings Inc., Microsoft Corporation, Moderna, Inc., Moncler S.p.A., NIKE, Inc., Olympus Corporation, Prudential plc, Reply S.p.A., Ryanair Holdings plc, Schibsted ASA, Shopify Inc., St. James's Place plc, Tesla, Inc., Washington H. Soul Pattinson and Company Limited, Worley Limited
Strategy	Albemarle Corporation, AppLovin Corporation, Cloudflare, Inc., Deere & Company, Epiroc AB (publ), Insulet Corporation, Moderna, Inc., Moncler S.p.A., Sea Limited, Tencent Holdings Limited, The New York Times Company, The Trade Desk, Inc., Washington H. Soul Pattinson and Company Limited

Votes Cast in Favour

Companies	Voting Rationale
Adyen NV, AutoZone, BHP Group Ltd (Aus. listing), Cochlear, CyberAgent Inc, FD Technologies, Fast Retailing, Freshpet Inc, Genus, Hargreaves Lansdown, IDP Education, Kinnevik, Microsoft, REA Group, Renishaw, Softcat, The Trade Desk, Washington Soul Pattinson, Worley Group	We voted in favour of routine proposals at the aforementioned meeting(s).

Votes Cast Against

Company	Meeting Details	Resolution(s)	Voting Rationale
AutoZone	Annual 12/18/24	2	We opposed the ratification of the auditor because of the length of tenure. We believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls.
AutoZone	Annual 12/18/24	5	We opposed the shareholder resolution to reduce the ownership threshold to call a special meeting of shareholders to 10 per cent. We note that management has proposed reducing the current threshold to 25 per cent and believe in the context of this particular company this strikes a balance between enhancing shareholder rights and the protection of long-term shareholder interests.
Exscientia Ltd	Special 11/12/24	C1, S1	We opposed two resolutions relating to the merger of the company with Recursion Pharmaceutical. If approved our clients will be forced to sell the shares in the surviving company which we do not believe is in their long term interests.
Microsoft	Annual 12/10/24	3	We opposed the ratification of the auditor because of the length of tenure. We believe it is best practice for the auditor to be rotated regularly as this works to ensure independent oversight of the company's audit process and internal financial controls.
Microsoft	Annual 12/10/24	4	We opposed a shareholder resolution requesting a report on the risks to the company of its perceived involvement in the development of weapons for the military. We continue to believe this is currently not a material risk for the business.
Microsoft	Annual 12/10/24	5	We opposed a shareholder resolution requesting an assessment to determine if diversifying the company's balance sheet by including Bitcoin is in the best long-term interests of shareholders. Microsoft's management of its balance sheet is not a concern and we think the company already performs this assessment.
Microsoft	Annual 12/10/24	6	We opposed a shareholder resolution requesting a report on the implications of siting datacentres in countries with human rights concerns. We believe the company has a robust framework in place and ranks highly on its governance practices and there is clear evidence of a commitment to protect human rights.

Company	Meeting Details	Resolution(s)	Voting Rationale
Microsoft	Annual 12/10/24	7	We opposed a shareholder resolution requesting a report on the risks of providing advanced technology, including artificial intelligence and machine learning tools, to facilitate new oil and gas development and production. We do not believe this issue is financially material for Microsoft with less than one per cent of the company's revenues being derived from selling products and services to the oil and gas industry.
Microsoft	Annual 12/10/24	8	We opposed a shareholder resolution requesting a report on risks relating to the spread of misinformation and disinformation due to the company's artificial intelligence. We continue to believe the company's disclosures are already extremely robust on this topic, and it is unclear how this additional report would be additive.
Microsoft	Annual 12/10/24	9	We opposed a shareholder resolution requesting a report on risks presented by the unethical or improper usage of external data in the development and training of its artificial intelligence offerings. Considering the company's current, and planned, disclosures and practices and looking at these relative to their peers, we don't have concerns with the company's approach and do not believe at this time additional disclosure is warranted.
Softcat	AGM 12/09/24	19	We opposed one resolution which sought authority to issue equity without pre-emption rights because the potential dilution levels are not in the interests of shareholders.
Companies	Voting Rationale		
Genus	We opposed the resolution which sought authority to issue equity because the potential dilution levels are not in the interests of shareholders.		

Votes Abstained

We did not abstain on any resolutions during the period.

Votes Withheld

We did not withhold on any resolutions during the period.

Votes Not Cast

Companies	Voting Rationale
Estee Lauder	We did not vote the meeting as we no longer hold the instrument.

New Purchases

Stock Name	Transaction Rationale
ASM International	<p>We have made a new investment in ASM International, a semiconductor equipment manufacturer focused on advanced deposition technology. ASM is the leader in single wafer atomic layer deposition (ALD), a next-generation technology in high-precision deposition, an early process step in the production of leading-edge semiconductors. This is a fast-growing segment within the semiconductor equipment space, and we believe demand will continue to rise driven by increasing process intensity, rising capex and market share gains. Over the past decade, ASM has transitioned to create a strong leading position in ALD at a time when the process technique is becoming increasingly critical to advanced semiconductor chip architectures.</p>
e.l.f. Beauty	<p>We have taken a new holding in e.l.f beauty, a mass beauty business that has most of its sales in color cosmetics. e.l.f. is making strong progress by taking share in this traditionally slow-moving industry. We view e.l.f. as a disruptive force in the industry, with digital expertise in advertising and product innovation that others are struggling to match. e.l.f. has a strong social media presence with its "beauty squad" and is expanding its advertising approach as it grows. It has historically launched new products at a high rate and it is now using digital analytics to build new products even more effectively around its halo brands and its acquired skincare ranges. Major retailers are allocating more and more shelf space to e.l.f. because of the strong sales the products generate. We think that e.l.f beauty can more than double its market share over the next five years in the US and develop its nascent international businesses substantially, which should bring both revenue growth and margin expansion. e.l.f.'s share price has fallen this year amidst concerns of an industry slowdown, particularly in the low-end mass beauty space where it operates. We think that this offers us a great opportunity to establish a holding in a disruptive business at an early stage of its growth opportunity.</p>
JEOL	<p>JEOL is a specialist manufacturer of high-powered microscopes and other scientific analysis equipment. In addition, through its partnership with IMS (an Austrian company), JEOL participates in manufacturing multi-beam mask writers for the semiconductor industry, which has proved to be a highly successful business. Over the past few years, JEOL increased its margins in both microscope and mask-writing businesses, driven by new product launches and strong demand. We believe the market currently undervalues JEOL, as investors appear to question whether the company can maintain its improved margins. While recognising the cyclicity of JEOL's end markets, we believe the company can continue to grow revenues and defend its margins through the cycle thanks to its ongoing technological developments and product innovation. Therefore, we decided to take a holding for the portfolio.</p>
Moonpig Group	<p>We have bought a new holding in the digital greetings cards and gift retailer, Moonpig. The company has a strong competitive position, with a 70% market share in the growing online market for greetings cards. Whilst we think Moonpig will continue to drive online adoption in its markets by winning new customers, we are also excited by the significant scope to improve long-term value and further monetise its large and loyal existing customer base. Moonpig is leveraging its scale, investing in both product and data, and we believe this will meaningfully drive up order frequency and average order values over our investment time horizon. Whilst we are mindful of the macro-economic challenges ahead, Moonpig's core market has historically been very resilient and the company's starting level of profitability gives us comfort that it can weather a more difficult trading environment. We have therefore taken a new holding.</p>
Worley Group	<p>Worley is a leading engineering and professional services company that provides project delivery and consulting services to energy, chemicals, and mining industries across the world. While continuing to have some exposure to oil projects, over the past few years, Worley successfully shifted its business mix from traditional energy to sustainability-related projects (including gas), with the latter company's revenues making up more than half of the company's revenues and backlog. In the more recent period, Worley has significantly improved its underlying profitability, cash generation, and debt position. While macro uncertainties and geopolitical risks could cyclically affect some of Worley's projects in the short term, we expect the company to deliver solid revenue growth and ongoing margin improvements over the next five years by benefitting from the growing structural demand for energy and sustainability-related projects. We believe the current share price fails to capture these opportunities, and therefore, we decided to take a holding.</p>

Complete Sales

Stock Name	Transaction Rationale
CRISPR Therapeutics	We have sold the position in gene editing biotech company, CRISPR Therapeutics. While it fulfilled our investment hypothesis of becoming the first company to receive FDA approval for a CRISPR-based therapy, the subsequent change in the valuation has been disappointing. With catalysts for an uplift in valuation less clear in the medium-term, we decided to sell and put the capital to work in higher conviction ideas.
Dassault Systemes	We have sold the position in French software company, Dassault Systemes. Our conviction has been weakened by research which suggests its competitive position in some of its product lines, such as its software for clinical trials management, isn't as strong as we had initially believed. As a result, we decided to sell and reinvest the capital into higher conviction ideas.
Denso	Denso is the largest car parts maker in Japan, with close ties to the Toyota group. The shares have performed strongly in recent years as the margin has improved through a mixture of self-help and a weak yen. However, in the longer term, we have concerns about the Toyota group's positioning in battery electric vehicles amid rising competition from Tesla and various Chinese players. On balance, we decided that we could do better elsewhere.
Eurofins	We have sold the position in testing business, Eurofins. Its share price performance has been poor, leading to the position size becoming increasingly small. We decided that rather than maintaining the position, it would be more prudent to reinvest the capital in higher conviction ideas.
Exscientia Ltd	A merger with US-listed Recursion Pharmaceutical closed in November, at which point Exscientia's shares were exchanged for Recursion shares. We sold the Recursion stock you received since it is not UK-listed.
Hargreaves Lansdown	We decided to sell the holding in the UK's leading wealth platform following the agreed bid by private equity. As long term owners we are somewhat disappointed by the offer price but it partly reflects the operational and strategic challenges that the business faces.
Mettler-Toledo	We have sold the position in precision weighing equipment manufacturer, Mettler-Toledo. Its valuation looks stretched and we believe the probability of a further doubling in value looks limited.
Vitec Software Group	We have sold the position in Vitec, a serial acquirer of vertical market software businesses. This has been an unusually short holding period for us. In recent earnings releases we have become increasingly concerned about aspects of the company's accounting and signs of poor earnings quality. For these reasons, we decided to act swiftly and move on from the investment.
Watsco	We have sold the holding in heating, ventilation, and air conditioning (HVAC) equipment distributor Watsco. It remains a high-quality business with a significant opportunity to consolidate and improve the HVAC industry as the scale distributor in the USA. This scale gives it several important advantages. It can invest more in technology than its competitors and also expand its footprint through the steady acquisition of smaller independent distributors. Watsco's share price has risen more than the company has grown in recent years, and, as a result, its valuation as a multiple of earnings has ticked up. We have previously trimmed the holding but decided to sell completely after re-evaluating the upside and downside potential from the current share price.
Wizz Air Holdings	Wizz Air is a ultra-low cost airline, focused on Central and Eastern Europe, immature markets that offer the potential for significant growth in air travel. Since taking a holding for the portfolio, Wizz has encountered a number of operational challenges. At the same time, it is facing increasing competition from Ryanair - a formidable operator also held in the portfolio. Taking this into account we decided to sell the shares.

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