

Interim
Financial Report

31 July 2024

The Schiehallion Fund Limited

Managed by

Baillie Gifford™

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

Principal risks and uncertainties

The principal and emerging risks facing the Company are:

Investment and strategic risks – liquidity of investments; market, economic, political and environmental risks; valuation risk; investment strategy risk; discount risk; and Environmental, Social and Governance ('ESG') risk.

External risks – political and associated economic risk; legal and regulatory risk.

Operational risks – performance and reliance on third party service providers; cyber security threats; and key professionals.

Emerging risks – geopolitical tensions, including the Russia-Ukraine conflict and US-China tensions, high energy prices, inflation and interest rates; cyber risk; and the proliferation of AI technology.

An explanation of these risks and how they are managed is set out on pages 39 to 44 of the Company's Annual Report and Financial Statements for the year to 31 January 2024 which is available on the Company's website: [schiehallionfund.com](https://www.schiehallionfund.com)

Responsibility statement

The Directors of The Schiehallion Fund Limited confirm that to the best of their knowledge:

- a. the Interim Financial Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Directors have elected to prepare financial statements that comply with International Financial Reporting Standards as issued by the International Accounting Standards Board;
- b. the Interim Management Report includes a fair review of the information required by:
 - i. DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and

- ii. DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the enterprise during that period.

On behalf of the Board
Dr Linda Yueh CBE
Chairperson
12 September 2024

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

Board update

David Chiswell resigned as non-executive Director of the Company in April 2024 due to ongoing health issues and has sadly since passed away. David made a significant contribution to the Board during his tenure and was an effective and widely admired Director who will be much missed by the Board and the Managers. David held positions across the biotechnology industry and his contributions to the field were recognised in 2006 when he was awarded the OBE by The Queen for services to the industry.

The Directors recognise the importance of succession planning and review the Board composition annually. The Board is committed to maintaining the Board's depth and breadth of knowledge, experience and professional expertise. The Board will communicate future succession plans in due course.

During the period, the Board engaged with the relevant shareholder following the significant number of votes against the re-appointment of Dr Yueh at the Annual General Meeting on 10 May 2024. The shareholder's concerns related to the number of simultaneous directorships. A review of the Chair's and other Directors' commitments was carried out and the Nomination Committee remains satisfied that Dr Yueh is capable of devoting sufficient time to the Company. There have been no significant changes to Dr Yueh's other commitments since 31 January 2024. Her total number of mandates from her directorships continues to comply with the UK Corporate Governance Code. The Directors continue to believe that the Board has a balance of skills and experience which enable it to provide effective strategic leadership and proper governance of the Company.

Summary of unaudited results*

Ordinary shares	31 July 2024	31 January 2024 (audited)	% change
Shareholders' funds	US\$1,178.17m	US\$1,219.14m	
Net asset value per Ordinary share	114.61¢	118.37¢	(3.2%)
Share price	103.00¢	71.50¢	44.1%
Discount†	10.1%	39.6%	
Number of shares in issue	1,027,973,907	1,029,898,907	
Market capitalisation	US\$1,058.81m	US\$736.38m	

	Six months to 31 July 2024	Six months to 31 July 2023
Revenue earnings per Ordinary share	(0.04¢)	(0.30¢)

Period's high and low

Ordinary shares	Six months to 31 July 2024		For the period 1 February 2023 to 8 September 2023		For the period 9 September 2023 to 31 January 2024	
	High	Low	High	Low	High	Low
Net asset value per Ordinary share	120.57¢	114.61¢	117.98¢	103.94¢	118.66¢	103.40¢
Share price	103.00¢	57.00¢	92.50¢	59.00¢	74.00¢	45.00¢
Discount†	(11.66%)	(51.23%)	(22.53%)	(44.93%)	(36.29%)	(56.48%)

Notes

* For a definition of terms see Glossary of terms and Alternative Performance Measures on page 24.

† Alternative Performance Measure, see Glossary of terms and Alternative Performance Measures on page 24.

All investment strategies have the potential for profit and loss. Past performance is not a guide to future performance.

Interim management report

The six months to 31 July 2024 saw NAV total return down 3.2%. However, the share price increased by 44.1% over the period, causing the discount to narrow to 10.1%.

Both private and public holdings contributed to the NAV decrease. On the public side, key negative contributors were buy-now pay-later provider Affirm and foreign exchange platform Wise. Affirm's share price dropped 42% and Wise's dropped 17%. Underlying operational performance at both companies was still strong. Affirm saw 51% revenue growth and achieving over one million users of its Affirm Card product, whilst Wise grew revenues 23% and more than tripled profits. Over the life of the fund, both stocks remain strong net contributors to performance. On the private side, German real estate broker McMakler was the main negative contributor, as it continues to battle macroeconomic headwinds in the domestic property market.

Positive contributors included Italian consumer digital application company Bending Spoons and American expense management and credit card company Brex. Bending Spoons has continued to deliver strong operational performance and show signs of having successfully integrated its recent acquisitions. We added more to our position reflecting growing conviction in the investment case. Brex has posted stronger operational results and improved margins as it gains efficiency following a difficult workforce reduction exercise.

Across the portfolio, operating performance remains broadly strong. Portfolio-weighted revenue growth was 41% over the period, with 39% of the companies by portfolio weighting being EBITDA-positive, and nearly 50% of companies in total being cash generative. The vast majority of the companies within the portfolio have cash balances greater than a year, with just under 5% having less than 12 months cash runway.

Portfolio management

Over the six months to 31 July, we made one new investment and completed two sales.

The new investment was in Tekever. Tekever is a Portuguese aerial intelligence company. It produces software-defined autonomous surveillance drones for both non-lethal military and civilian use cases.

The sales were of public company Allbirds and private company Graphcore. Footwear company Allbirds had struggled to expand its customer base and product reach since its IPO, with a couple of false starts into apparel and high-performance footwear. We felt the capital could be better used elsewhere in our opportunity set. AI semiconductor design company Graphcore was acquired by Softbank. Despite having had setbacks in customer contracts and chip developments, at the sale price we were able to recoup the majority of our initial investment. Nonetheless, neither of these sales represent the kinds of outcomes that we seek.

We had one holding IPO in the period. Tempus AI, owner of one of the world's biggest libraries of clinical and molecular data, listed at a 20% premium to its end-of-May carrying valuation. The period also saw further private capital raising activity, with autonomous driving software company Wayve receiving a large investment from Softbank, Nvidia and Microsoft. We first took a position in Wayve for the fund in January 2022.

We have continued to execute on the share buyback program announced in November 2023. To 31 July 2024, the fund has bought back 4,526,000 shares. We will continue to allocate the remaining 12% of capital across new private opportunities, supporting existing companies and buying back shares.

Private company valuations

Over the reporting period, there were 170 revaluation events, with ~45% of the portfolio being revalued three times or more. The average movement at the private company level was -6.3%.

The gradual uptick in private markets activity over the past twelve months have given us opportunities to compare our carrying valuations with external price discovery moments. Over the last year, we have seen eleven such price discovery events. On nine occasions we needed to revalue our holdings up, with a median upwards revaluation of 18%. On two occasions we needed to revalue our holdings down, with a median downwards revaluation of 2%.

As a reminder of our valuation process, we aim for a targeted +/- 20% range to the new valuation, with some balance of being over and under – neither consistently conservative nor consistently bullish. The overall median movement over the twelve months has been an increase of 16%, giving us comfort over the fair value positions and their proximity to eventual transaction events.

Looking forward

We continue to see causes for optimism in the underlying holdings. The companies within the fund have reacted well to a tough couple of years in private markets, and we believe are well positioned to continue to take advantage of their competitive positions in the years ahead. We have been continuing to invest in our capability at Baillie Gifford, with four more investors joining our team during the period.

More and more excellent companies are coming back to the market to organise rounds – if not for their own primary capital needs, then to facilitate liquidity for their early venture backers, who are coming under pressure for liquidity from their own clients. The result is a much healthier crop of interesting companies raising capital than we have seen for the last couple of years. We believe the share price appreciation over the last six months hints at an improved sentiment in general towards growth equity in the markets. If so, it is a sentiment we share.

Peter Singlehurst

Robert Natzler

Portfolio executive summary

Performance

	6 months %	1 year %	3 years %	Since inception % *
Share price	44.1%	56.1%	(49.3%)	(8.4%)
NAV	(3.2%)	4.7%	(30.2%)	15.0%

* Inception date: 27 March 2019.

All figures are stated on a total return basis† for periods to 31 July 2024.

† Alternative Performance Measure – see Glossary of terms and Alternative Performance Measures on page 24.

Source: Baillie Gifford/LSEG. See disclaimer on page 23.

Key contributors to and detractors from Company performance – six months to 31 July 2024

Contributors†	Absolute return * (%)	Detractors†	Absolute return * (%)
Tempus AI [Ⓢ]	32.6	McMakler GmbH	(96.9)
Bending Spoons	13.7	Affirm [Ⓢ]	(30.2)
Space Exploration Technologies	7.8	Northvolt	(21.9)
Brex	15.0	Flix SE	(22.9)
HeartFlow	57.2	Wise [Ⓢ]	(10.8)

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

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

Source: Revolution.

New buys

○ Tekever

Additions

○ Bending Spoons

Complete sales*

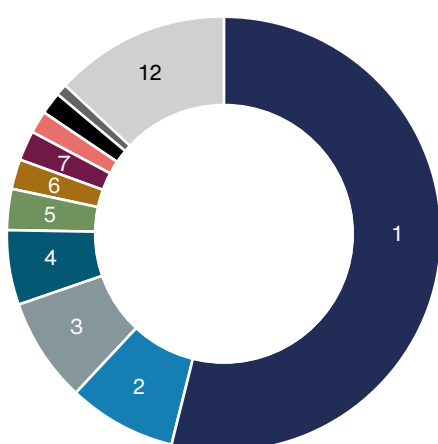
○ Convoy
Graphcore
Allbirds[Ⓢ]

* The Convoy holdings were written off during the period subsequent to the company ceasing operations.

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

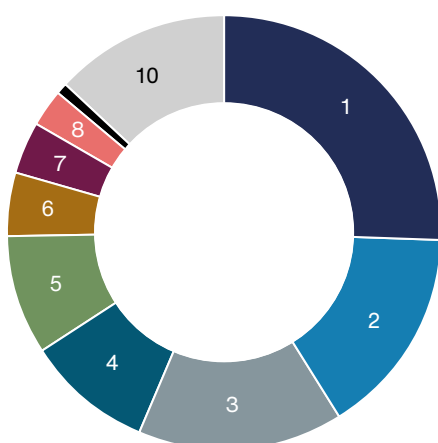
Distribution of total net assets (unaudited)

Geographical as at 31 July 2024



Geographical	% at 31 July 2024	% at 31 January 2024	Number of investments at 31 July 2024
1 United States	54.2	50.7	30
2 China	8.0	7.7	3
3 United Kingdom	7.6	8.4	2
4 Italy	5.7	4.0	1
5 India	3.0	3.4	1
6 Germany	2.3	5.8	2
7 Sweden	2.1	2.7	1
8 Portugal	1.8	-	1
9 Australia	1.6	1.8	1
10 Brazil	0.8	0.9	1
11 Canada	<0.1	0.2	1
12 Net current assets	12.9	14.4	

Sectoral as at 31 July 2024



Sectoral	% at 31 July 2024	% at 31 January 2024	Number of investments at 31 July 2024
1 Information technology	25.8	21.3	13
2 Industrials	15.4	13.0	6
3 Financials	15.3	18.0	5
4 Consumer discretionary	9.5	10.1	6
5 Communication services	8.9	8.8	3
6 Healthcare	4.7	3.6	4
7 Consumer staples	3.8	4.2	4
8 Materials	2.8	2.6	1
9 Real estate	0.9	4.0	2
10 Net current assets	12.9	14.4	

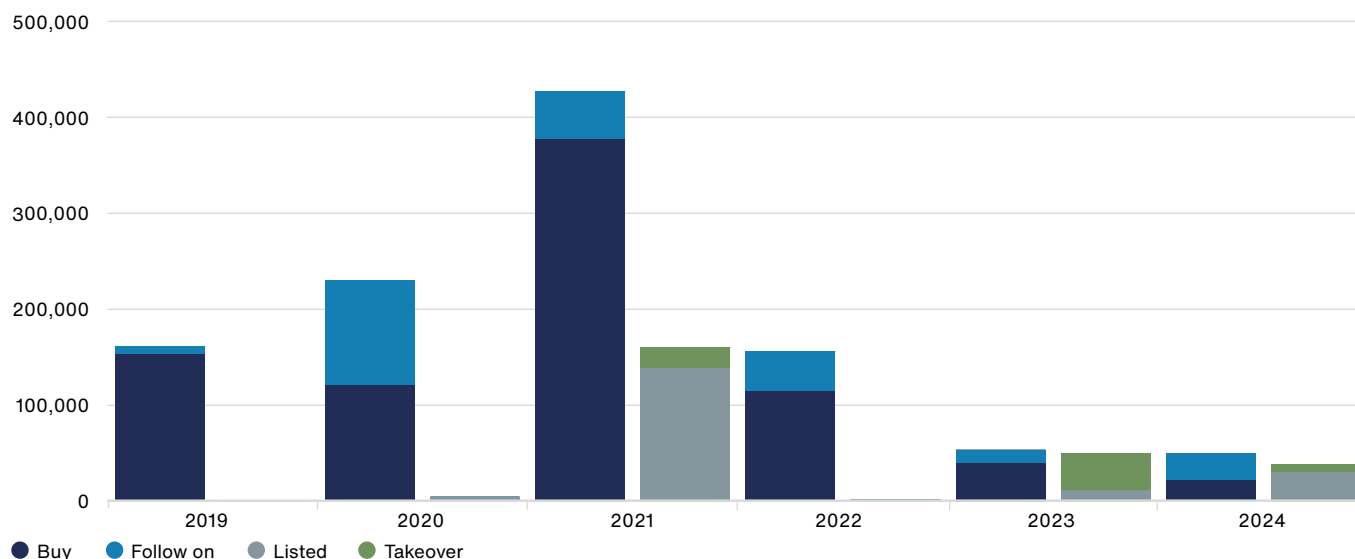
The above sectoral distribution is not derived from any index.

Historical snapshot

Since our inception in 2019, The Schiehallion Fund Limited has deployed US\$1.08bn of capital in private companies.

Transaction value

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



3

private companies taken over

9

private companies listed

36

private companies currently held

Company size

Our private company portfolio tends to be weighted to the upper end of the maturity curve, focused on late stage private companies which are scaling up and becoming profitable. The below table represents total equity value at 31 July 2024.

Cap	Total equity value (US\$)	Private company portfolio %	Number of private companies
Micro	<\$300m	1.9	5
Small	\$300m-\$2bn	19.4	11
Medium	\$2bn-\$10bn	43.3	14
Large	>\$10bn	35.4	6
		100.0	36

Private exposure

(31 July 2024)



Space Exploration Technologies	8.1%
ByteDance	5.8%
Bending Spoons	5.7%
Brex	3.9%
Dailyhunt (VerSe Innovation)	3.0%
Rest of private company portfolio	44.3%

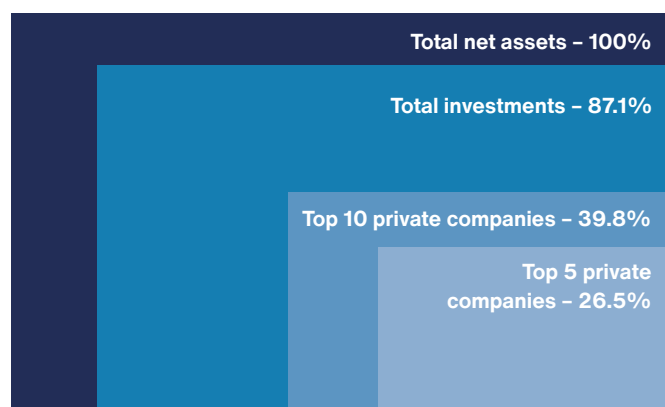
Portfolio activity – six months to 31 July 2024

US\$31.8 million was deployed in private companies during the period. New investment in Tekever Holdings and follow on investment in Bending Spoons.

Tempus AI listed in the period.

Concentration

At 31 July 2024 we held 36 private companies which equated to 70.8% of total net assets.



Net current assets represent 12.9% of total net assets.

All figures stated as percentage of total net assets, as at 31 July 2024.

Private company overview

	Six months to 31 July 2024 US\$'000	Year ended 31 January 2024 US\$'000
Opening fair value	869,709	853,014
Purchases at cost	31,782	71,914
Sales – proceeds	(8,367)	(38,795)
– gains/(losses)	(17,833)	17,370
Change in categorisation	(18,468)	(10,000)
Change in fair value	(23,450)	(23,794)
Closing fair value	833,373	869,709

Baillie Gifford – valuing private companies

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

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

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

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

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

Generally speaking, public markets have continued to be less volatile in the six months to 31 July 2024, and overall, an improvement in market conditions has led to an increase in private market deal activity. The data below quantifies the revaluations carried out during the six months to 31 July 2024, however, it does not reflect the ongoing monitoring of the private investment portfolio which has not resulted in a change in valuation.

The Schiehallion Fund*

Instruments held	68
Percentage of portfolio revalued up to 2 times	55.9%
Percentage of portfolio revalued 3+ times	44.1%

* Data reflecting period 1 February 2024 to 31 July 2024.

List of investments

as at 31 July 2024 (unaudited)

Name	Business	Country	2024 Total value US\$'000	2024 % of net assets *
Space Exploration Technologies	Designs, manufactures and launches advanced rockets and spacecraft	United States	95,248	8.1
ByteDance	Social media and news aggregation company	China	68,518	5.8
Bending Spoons	Mobile application software developer	Italy	66,970	5.7
Wise [Ⓢ]	Online platform to send and receive money	UK	55,336	4.7
Brex	Corporate credit cards for startups	United States	46,251	3.9
Affirm [Ⓢ]	Online platform which provides point of sale consumer finance	United States	36,717	3.1
Dailyhunt (VerSe Innovation)	Telephone voice, data, text messaging, and roaming services	India	35,636	3.0
Tempus AI [Ⓢ]	Oncological records aggregator and diagnostic testing provider	United States	35,029	3.0
Wayve Technologies	AI based software for self-driving cars	UK	34,297	2.9
Solugen	Combines enzymes and metal catalysts to make chemicals	United States	33,030	2.8
Stripe	Online payment platform	United States	32,618	2.7
Databricks	Data software solutions	United States	30,488	2.6
Chime Financial	Digital current account provider	United States	27,314	2.4
Faire Wholesale	Online wholesale marketplace	United States	27,153	2.3
Flix SE	European mobility provider	Germany	25,435	2.2
Northvolt	Lithium ion battery manufacturer	Sweden	24,147	2.1
Grammarly	Online platform for checking grammar, spelling and improving written communication	United States	23,521	2.0
Kepler Computing	Semiconductor company	United States	23,137	2.0
Epic Games	Video game developer	United States	22,263	1.9
Rappi	Provider of an on-demand delivery platform designed to connect consumers with local stores	United States	22,091	1.9
Tekever	Unmanned systems technology and services manufacturer	Portugal	21,641	1.8
Warby Parker [Ⓢ]	Online and physical corrective eyewear retailer	United States	21,199	1.8
Pet Circle (Millell Pty Ltd)	Pet food and accessories	Australia	18,881	1.6
Oddity [Ⓢ]	Direct to consumer cosmetics	United States	18,804	1.6
Genki Forest Technology Group	Non-alcoholic beverages	China	18,700	1.6

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

* See Glossary of terms and Alternative Performance Measures on page 24.

Name	Business	Country	2024 Total value US\$'000	2024 % of net assets *
HeartFlow	Develops software for cardiovascular disease diagnosis and treatment	United States	16,055	1.3
PsiQuantum	Silicon photonic quantum computing	United States	14,985	1.3
Tanium	Online security management	United States	14,649	1.2
Merlin Labs	Autonomous flight technology	United States	14,625	1.2
Oscar Health [Ⓢ]	Healthcare insurance provider	United States	14,534	1.2
Nuro	Developer of autonomous delivery vehicles	United States	14,287	1.2
Cohesity	Data storage	United States	11,302	1.0
Workrise Technologies	Jobs marketplace for the energy sector	United States	10,967	0.9
Airbnb [Ⓢ]	Online market place for travel accommodation	United States	10,730	0.9
Loft	Online property platform	Brazil	9,078	0.8
AWAY (JRSK Inc)	Travel and lifestyle brand	United States	8,567	0.8
Jiangxiaobai	Producer of alcoholic beverages	China	7,000	0.6
Carbon	Manufactures and develops 3D printers	United States	6,516	0.6
Honor Technology	Provider of home-care services	United States	4,754	0.4
MasterClass (Yanka Industries)	Online education subscription platform	United States	1,387	0.1
McMakler GmbH	Real estate services	Germany	1,166	0.1
Illumina CVR	Gene sequencing equipment and consumables	United States	407	<0.1
Indigo Agriculture	Microbial seed treatments to increase crop yields and grain marketplace	United States	380	<0.1
Blockstream	Financial software developer	Canada	316	<0.1
Total investments			1,026,129	87.1

Name	2024 Total value US\$'000	2024 % of net assets *
US Treasury Bill 20/03/2025	22,556	2.0
US Treasury Bill 15/05/2025	22,537	1.9
US Treasury Bill 05/09/2024	22,536	1.9
US Treasury Bill 23/01/2025	22,513	1.9
US Treasury Bill 29/11/2024	22,510	1.9
US Treasury Bill 31/10/2024	22,504	1.9
Total US Treasury Bills	135,156	11.5
Cash	19,293	1.6
Other current assets and liabilities	(2,061)	(0.2)
Capital gains tax provision [†]	(346)	<0.0
Net current assets less capital gains tax provision	152,042	12.9
Total net assets less capital gains tax provision	1,178,171	100.0

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

* See Glossary of terms and Alternative Performance Measures on page 24.

[†] The tax liability provision at 31 July 2024 relates to a potential liability for Indian capital gains tax that may arise on the Company's Indian investments should they be sold in the future, based on the net unrealised taxable capital gain at the period end and on enacted Indian tax rates.

Name	Listed investments %	Private company investments %	Net current assets *	Net assets *
31 July 2024	16.3	70.8	12.9	100.0
31 January 2024	14.3	71.3	14.4	100.0

Allocation of net assets (unaudited)

Name	2024 Total value US\$'000	2024 % of net assets *
Listed investments	192,349	16.3
Private company investments	833,373	70.8
Contingent value rights	407	<0.1
US Treasury Bills	135,156	11.5
Cash and cash equivalents	19,293	1.6
Net current assets	(2,407)	(0.2)
Total net assets	1,178,171	100.0

* See Glossary of terms and Alternative Performance Measures on page 24.

The Company may hold various classes of shares in investee companies, some of which may have a preference on winding up.

Statement of comprehensive income (unaudited)

	Notes	For the six months to 31 July 2024			For the six months to 31 July 2023			For the year to 31 January 2024		
		Revenue US\$'000	Capital US\$'000	Total US\$'000	Revenue US\$'000	Capital US\$'000	Total US\$'000	Revenue US\$'000	Capital US\$'000	Total US\$'000
(Losses)/gains on investments		-	(39,662)	(39,662)	-	(46,896)	(46,896)	-	69,768	69,768
Currency gains/(losses)		-	27	27	-	(9)	(9)	-	75	75
Income	2	4,670	-	4,670	3,512	-	3,512	8,211	-	8,211
Investment management fee	3	(4,471)	-	(4,471)	(3,937)	-	(3,937)	(8,152)	-	(8,152)
Other administrative expenses	4	(577)	-	(577)	(637)	-	(637)	(1,263)	-	(1,263)
Operating (loss)/profit before finance costs and taxation		(378)	(39,365)	(40,013)	(1,062)	(46,905)	(47,967)	(1,204)	69,843	68,639
Finance cost of borrowings		-	-	-	-	-	-	-	-	-
Operating (loss)/profit before taxation		(378)	(39,635)	(40,013)	(1,062)	(46,905)	(47,967)	(1,204)	69,843	68,639
Tax on ordinary activities		-	486	486	-	-	-	-	(834)	(834)
(Loss)/profit and total comprehensive (loss)/income for the period		(378)	(39,149)	(39,527)	(1,062)	(46,905)	(47,967)	(1,204)	69,009	67,805

	Notes	For the six months to 31 July 2024			For the six months to 31 July 2023			For the year to 31 January 2024		
		Revenue US\$'000	Capital US\$'000	Total US\$'000	Revenue US\$'000	Capital US\$'000	Total US\$'000	Revenue US\$'000	Capital US\$'000	Total US\$'000
Total comprehensive (loss)/income for the period analysed as follows:										
Attributable to Ordinary shareholders	5	(378)	(39,149)	(39,527)	(1,483)	(48,168)	(49,651)	(1,204)	69,009	67,805
Attributable to C shareholders*	5				421	1,263	1,684			
(Loss)/profit and total comprehensive (loss)/profit for the period		(378)	(39,149)	(39,527)	(1,062)	(46,905)	(47,967)	(1,204)	69,009	67,805
(Loss)/earnings per Ordinary share	5	(0.04¢)	(3.81¢)	(3.85¢)	(0.30¢)	(9.62¢)	(9.92¢)	(0.12¢)	6.69¢	6.57¢
(Loss)/earnings per C share*	5				0.06¢	0.18¢	0.24¢			

* The Company's C shares converted into Ordinary shares on 8 September 2023 and therefore there is no C shares income/(loss) to report for the six months to 31 July 2024 and the year to 31 January 2024.

The total column of this Statement represents the Statement of Comprehensive Income of the Company. The supplementary revenue and capital columns are prepared under guidance published by the Association of Investment Companies.

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

The accompanying notes on pages 19 to 22 are an integral part of the Financial Statements.

Statement of financial position (unaudited)

	Notes	At 31 July 2024 US\$'000	At 31 July 2024 US\$'000	At 31 January 2024 US\$'000	At 31 January 2024 US\$'000
Fixed assets					
Investments held at fair value through profit or loss	7		1,026,129		1,043,781
Current assets					
US Treasury Bills		135,156		167,522	
Cash and cash equivalents		19,293		11,306	
Debtors		2,257		1,743	
		156,706		180,571	
Current liabilities					
Amounts falling due within one year		(4,318)		(4,381)	
Net current assets			152,388		176,190
Non-current liabilities					
Amounts falling due after more than one year:					
Provision for tax liability*			(346)		(834)
Net assets			1,178,171		1,219,137
Capital and reserves					
Share capital	8		1,211,978		1,213,903
Capital reserve			(24,967)		15,621
Capital redemption reserve			4,526		2,601
Revenue reserve			(13,366)		(12,988)
Shareholders' funds			1,178,171		1,219,137

The accompanying notes on pages 19 to 22 are an integral part of the Financial Statements.

* The tax liability provision at 31 July 2024 relates to a potential liability for Indian capital gains tax that may arise on the Company's Indian investments should they be sold in the future, based on the net unrealised taxable capital gain at the period end and on enacted Indian tax rates. The amount of any future tax amounts payable may differ from this provision, depending on the value and timing of any future sales of such investments and future Indian tax rates.

Statement of changes in equity (unaudited)

Six months to 31 July 2024

	Notes	Share capital US\$'000	Capital reserve * US\$'000	Capital redemption reserve US\$'000	Revenue reserve US\$'000	Shareholders' funds US\$'000
Shareholders' funds at 1 February 2024		1,213,903	15,621	2,601	(12,988)	1,219,137
Ordinary shares bought back and cancelled	8	(1,925)	(1,439)	1,925	-	(1,439)
Total comprehensive loss for the period – Ordinary shares		-	(39,149)	-	(378)	(39,527)
Shareholders' funds at 31 July 2024		1,211,978	(24,967)	4,526	(13,366)	1,178,171

Six months to 31 July 2023

	Share capital US\$'000	Capital reserve * US\$'000	Capital redemption reserve US\$'000	Revenue reserve US\$'000	Shareholders' funds US\$'000
Shareholders' funds at 1 February 2023	1,216,503	(51,536)	-	(11,784)	1,153,183
Total comprehensive loss for the period – Ordinary shares	-	(48,168)	-	(1,483)	(49,651)
Total comprehensive income for the period – C shares [†]	-	1,263	-	421	1,684
Shareholders' funds at 31 July 2023	1,216,503	(98,441)	-	(12,846)	1,105,216

* Includes investment holdings gains of US\$1,188,000 (31 July 2023 – losses of US\$113,452,000).

† The C shares converted to Ordinary shares on 8 September 2023 and therefore there is no C share (loss)/income to report for the six months to 31 July 2024.

Statement of cash flows (unaudited)

	Six months to 31 July 2024		Six months to 31 July 2023	
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
Operating loss before taxation		(40,013)		(47,967)
US Treasury Bills interest		(3,958)		(2,236)
Net losses on investments		39,662		46,896
Currency (gains)/losses		(27)		9
Changes in debtors and creditors		(525)		(592)
Net cash outflow in operating activities*		(4,861)		(3,890)
Cash flows from investing activities				
Acquisitions of US Treasury Bills	(78,936)		(53,111)	
Disposals of US Treasury Bills	115,206		118,826	
Acquisitions of investments	(31,782)		(45,621)	
Disposals of investments	9,772		48,555	
Net cash inflow from investing activities		14,260		68,649
Cash flows from financing activities				
Ordinary shares bought back and cancelled	(1,439)		-	
Net cash outflow from financing activities		(1,439)		-
Net increase in cash and cash equivalents		7,960		64,759
Effect of exchange rate fluctuations on cash and cash equivalents		27		(9)
Cash and cash equivalents at 1 February		11,306		45,799
Cash and cash equivalents at 31 July		19,293		110,549

* Cash from operations includes interest received of US\$263,000 (2023 – US\$878,000).

Notes to the Financial Statements (unaudited)

01 Basis of accounting

The condensed Financial Statements for the six months to 31 July 2024 comprises the statements set out on pages 14 to 18 together with the related notes on pages 19 to 22. They have been prepared in accordance with International Financial Reporting Standards (IFRS). The Financial Statements for the six months to 31 July 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 January 2024.

Equity investment

The ordinary shares and C shares of the Company are classified as equity in accordance with the definition of equity instruments under IAS 32 Financial Instruments: presentation (IAS 32). The proceeds from the issue of shares are recognised in the Statement of Changes in Equity net of incremental issuance costs.

Going concern

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

In undertaking this review, the Board has considered the Company's principal risks and uncertainties, as set out on the inside front cover, and in particular considered the impact of heightened market volatility due to macroeconomic and geopolitical concerns, including the Russia-Ukraine war and heightened tensions between China and both the USA and Taiwan. Liquidity stress testing has been carried out and having done so the Board does not believe the Company's going concern status is affected. The Company maintains sufficient cash balances to enable it to meet its liabilities as they fall due.

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

Accordingly, the Financial Statements have been prepared on the going concern basis as it is the Directors' opinion, having assessed the principal risks and uncertainties, that the Company will continue in operational existence for a period of at least 12 months from the date of approval of these Financial Statements.

02 Income

	Six months to 31 July 2024 US\$'000	Six months to 31 July 2023 US\$'000	Year to 31 January 2024 US\$'000
US Treasury Bills interest	3,958	2,236	5,305
Overseas interest	449	398	862
Deposit interest	263	878	2,044
Total income	4,670	3,512	8,211

03 Investment management fee

	Six months to 31 July 2024 US\$'000	Six months to 31 July 2023 US\$'000	Year to 31 January 2024 US\$'000
Investment management fee	4,471	3,937	8,152

The Company has appointed Baillie Gifford & Co Limited as its Investment Manager (the 'Investment Manager'). As the entity appointed to be responsible for risk management and portfolio management, the Investment Manager has also been appointed as the Company's Alternative Investment Fund Manager ('AIFM'). Baillie Gifford & Co Limited has delegated portfolio management services to Baillie Gifford Overseas Limited. The Investment Management Agreement is terminable on not less than six months' notice.

Under the terms of the Investment Management Agreement, the Investment Manager will be entitled to an annual fee (exclusive of VAT, which shall be added where applicable) of: 0.9% on the net asset value excluding cash or cash equivalent assets up to and including US\$650 million; 0.8% on the net asset value of the Company excluding cash or cash equivalent assets exceeding US\$650 million up to and including US\$1.3 billion; and 0.7% on the net asset value excluding cash or cash equivalent assets exceeding US\$1.3 billion. Management fees are calculated and payable quarterly.

Cash equivalents include US Treasury Bills.

04 Other administrative expenses

	Six months to 31 July 2024 US\$'000	Six months to 31 July 2023 US\$'000 *	Year to 31 January 2024 US\$'000
General administrative expenses	172	228	412
Administrator's fee	48	28	105
Auditor's remuneration for audit services	151	154	296
Directors' fees	206	227	450
	577	637	1,263

* Expenses relating directly to a share class were charged directly to that share class. Expenses pertaining to both Ordinary and C shares were split equally between the share classes.

05 Earnings per share

	Six months to 31 July 2024		Six months to 31 July 2023		Year to 31 January 2024	
	US\$'000	¢	US\$'000	¢	US\$'000	¢
Ordinary shares						
Revenue return on ordinary activities after taxation	(378)	(0.04)	(1,483)	(0.30)	(1,204)	(0.12)
Capital return on ordinary activities after taxation	(39,149)	(3.81)	(48,168)	(9.62)	69,009	6.69
Loss/(profit) and total comprehensive (loss)/income for the period	(39,527)	(3.85)	(49,651)	(9.92)	67,805	6.57
Weighted average number of Ordinary shares in issue	1,028,445,885		500,430,002		1,032,208,365	

	Six months to 31 July 2023	
	US\$'000	¢
C shares*		
Revenue return on ordinary activities after taxation	421	0.06
Capital return on ordinary activities after taxation	1,263	0.18
Profit and total comprehensive income for the period	1,684	0.24
Weighted average number of C shares in issue	700,000,000	

Net return per share is based on the above totals of revenue and capital and the weighted average number of shares in issue during each period. There are no dilutive or potentially dilutive shares in issue.

* The Company's C shares were converted into Ordinary shares on 8 September 2023 and therefore there were no C shares in issue at 31 January 2024 and 31 July 2024 and no allocable (loss)/income to report for those periods.

06 Ordinary dividends

There were no dividends paid or proposed in respect of the six months to 31 July 2024 (2023 – nil).

07 Financial instruments

Fair value hierarchy

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

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

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

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

As at 31 July 2024	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Listed equities	192,349	–	–	192,349
Private company ordinary shares	–	–	209,837	209,837
Private company preference shares*	–	–	610,144	610,144
Private company convertible promissory notes	–	–	13,392	13,392
Contingent value rights†	–	–	407	407
Total financial asset investments	192,349	–	833,780	1,026,129

As at 31 January 2024	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Listed equities	173,665	–	–	173,665
Private company ordinary shares	–	–	172,693	172,693
Private company preference shares*	–	–	684,298	684,298
Private company convertible promissory notes	–	–	12,718	12,718
Contingent value rights†	–	–	407	407
Total financial asset investments	173,665	–	870,116	1,043,781

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

† See Glossary of terms and Alternative Performance Measures on page 24.

During the six months to 31 July 2024, the investment in Tempus AI with a fair value (IPO price) of US\$32,553,000 was transferred from Level 3 to Level 1 on becoming listed.

During the year to 31 January 2024, the investment in Oddity with a fair value (IPO price) of US\$11,800,000 was transferred from Level 3 to Level 1 on becoming listed.

The valuation techniques used by the Company are explained in the accounting policies on pages 85 and 86 of the Company's Annual Report and Financial Statements for the year to 31 January 2024. Listed investments are categorised as Level 1 if they are valued using unadjusted quoted prices for identical instruments in an active market and as Level 2 if they do not meet all these criteria but are, nonetheless, valued using market data. The Company's holdings in unlisted investments are categorised as Level 3 unobservable data is a significant input to their fair value measurements.

08 Share capital

	31 July 2024 Number	31 July 2024 US\$'000	31 January 2024 Number	31 January 2024 US\$'000
Allotted, called up and fully paid Ordinary shares of US\$1 each	1,027,973,907	1,211,978	1,029,898,907	1,213,903

By way of a Special Resolution passed on 10 May 2024 the Directors of the Company were granted a general authority to allot or sell from treasury, without regard to the pre-emption rights contained in the Articles of Incorporation of the Company, up to 102,882,390 Ordinary shares or C shares (as defined in the Articles of Incorporation). This authority will expire at the end of the period concluding immediately prior to the Annual General Meeting of the Company to be held in 2029 (or, if earlier, five years from the date of the passing of the resolution).

During the six months to 31 July 2024 the Company did not issue any Ordinary shares or C shares. In the period from 1 August 2024 to 10 September 2024 the Company issued no Ordinary shares or C shares.

By way of a Special Resolution passed on 10 May 2024 the Directors of the Company have general authority to make market purchases of up to 154,145,753 Ordinary shares, being 14.99% of the Ordinary shares in issue as at 10 May 2024, being the date of the passing of the resolution. This authority will expire at the conclusion of the Annual General Meeting of the Company to be held in respect of the year ending 31 January 2025.

1,925,000 Ordinary shares were bought back during the six months to 31 July 2024 (31 July 2023 – nil). In the period from 1 August 2024 to 10 September 2024 200,000 Ordinary shares were bought back.

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

09 Transactions with related parties and the investment manager and administrator

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 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

Automatic Exchange of Information

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

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

Foreign Account Tax Compliance Act

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

Third party data providers disclaimer

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

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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.

Shareholders' funds and Net Asset Value

Shareholders' Funds is the value of all assets held less all liabilities, with borrowings deducted at book cost. Net Asset Value (NAV) is the value of all assets held less all liabilities, with borrowings deducted at either fair value or par value. Per share amounts are calculated by dividing the relevant figure by the number of ordinary shares in issue.

Total Return

The total return is the return to shareholders after reinvesting the net dividend on the date that the share price goes ex-dividend. The Company does not pay a dividend, therefore, the total returns for the share price and NAV per share are the same as the percentage movements in the share price and NAV per share as detailed on page 2.

Capital deployed (APM)

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

Contingent value rights

'CVR' after an instrument name indicates a security, usually arising from a corporate action such as a takeover or merger, which represents a right to receive potential future value, should the continuing company achieve certain milestones.

Total net assets

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

Net current assets

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

(Discount)/premium (APM)

As stock markets and share prices vary, an investment company's share price is rarely the same as its NAV. When the share price is lower than the NAV per share it is said to be trading at a discount. 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, it is said to be trading at a premium.

		31 July 2024	31 January 2024
Ordinary shares			
Closing NAV per share	(a)	114.61¢	118.37¢
Closing share price	(b)	103.00¢	71.50¢
Discount expressed as a percentage	(b - a) ÷ a	(10.1%)	(39.6%)

Company information

Directors

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

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