

Emerging Markets All Cap Quarterly Update

30 June 2024



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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.

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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

Emerging Markets All Cap is a long-term, regional equity strategy that adds value through active management by identifying and exploiting inefficiencies through investment in global emerging markets encompassing Emerging Europe, Emerging Asia, the Middle East, Africa and Latin America.

Risk Analysis

Key Statistics

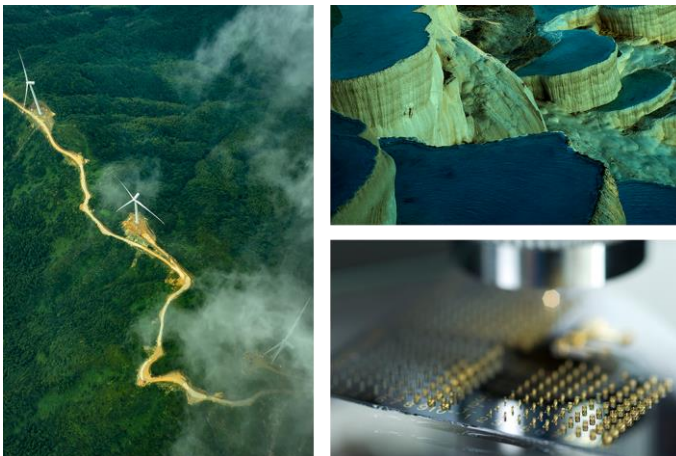
Number of Holdings	73
Typical Number of Holdings	60-100
Active Share	69%*
Rolling One Year Turnover	15%

*Relative to MSCI Emerging Markets Index. Source: Baillie Gifford & Co, MSCI.

The macroeconomic environment in Emerging Markets (EM) looks stronger than it has done for many years, especially relative to Developed Markets

Valuations do not appear to us to be adequately reflecting the strength of the EM opportunity

The Chinese market has seen better returns so far this year; our commentary discusses our views in more detail



Baillie Gifford Key Facts

Assets under management and advice	US\$283.7bn
Number of clients	649
Number of employees	1738
Number of investment professionals	372

"We are what we always were in Salem, but now the little crazy children are jangling the keys of the kingdom, and common vengeance writes the law!"

Arthur Miller, The Crucible: A Play in Four Acts

I was recently in Cambodia on holiday and I promised our guide that I would recommend it to all and sundry. It is sandwiched between Thailand and Vietnam and an on/off beneficiary of Chinese investment and so relies on tourism and is well worth a visit. Angkor Wat at dawn is a preternatural experience, the Killing Fields are heartrending while the beaches on the islands are a truly tropical paradise. Many tourists bypass the capital, Phnom Penh, to see the temples at Siem Reap, but this is a mistake. Phnom Penh is a charming city where it is possible to travel just about anywhere for a dollar or two in an air-conditioned Grab (works just like Uber), or for even less in a tuktuk – if you enjoy heat, noise and carbon monoxide. There's plenty to see and do, though my wife dragged me to see a grass clock purely on the basis that it had featured in the BBC's reality show Race Across the World a few weeks earlier; this was a bit of a low point. We then had to go to the Elephant Bar at Raffles to 'work on our marriage' over gin and tonic. Nonetheless, Cambodia was a reminder, if any was needed, about how vibrant, dynamic and fascinating developing countries can be.

In previous quarters we have discussed how many Emerging Market economies have pursued conservative fiscal policies and orthodox monetary policies for much of the last decade. This is in stark contrast to many Developed Market economies which have done whatever it takes to avoid the unpleasant effects of a recession, be it covid-induced, or otherwise. The consequences of this have started to show up in the relative strength of Emerging Market currencies and bonds, though they have yet to set EM equities alight. Why is this? I was recently at a conference and in a poll fully half the attendees cited 'geopolitical risk' as their biggest concern. Given the headlines, this is entirely rational, especially given the rivalry between the US and China. However, dig a bit deeper and (by my back of the envelope calculations) ~60% of the MSCI EM index constituents (by population) are democratic. Recently, we have seen a smooth transition of power in India, Indonesia, Mexico and South Africa to name some of the most populous. China and the Middle East aside, the majority of the Emerging Markets countries are fully functioning

democracies. At a time when Western elections have become increasingly polarised, do Emerging Markets continue to warrant a significant political discount?

We are cautious on the longer term outlook of US-China relations; Washington and Beijing clearly want different things. However, in the medium term we are a little more sanguine; valuations in China are attractive and sentiment remains pretty downbeat, the recent rally notwithstanding. The government has started to act, first by attempting to put a floor under the stockmarket and next by removing virtually all the restrictions in residential property. The key test will be the Third Plenum in July when we will see if the government is prepared to do some heavy lifting in terms of policy; without it, it seems likely that Chinese stocks will return to their slough of despond. However, two thoughts or perhaps speculations: the Chinese government is not as monolithic as it appears. While by no means democratic, popular discontent can provoke a response be it rolling back zero covid overnight, or protecting individual's wealth by supporting the stock and property markets. The second point is that much is made of China's demographics, but typically people save (~US\$ 19 trillion at the end of last year) when they are working and spend when they retire. Forget GenZ or Millennials, China's 'silver surfers' could be the dominant force in domestic consumption for decades to come. There are still opportunities in China: for example we recently purchased Luckin Coffee, a special situation that has recently overtaken Starbucks as the largest coffee company in China.

One of the central tenets of an allocation to Emerging Markets was that it offered the benefits of diversification. This has sometimes been the case; in the first decade of the century, US large cap stocks were essentially flat, while Emerging Market stocks were up over 400%, driven by China's development and integration with the global economy. In more recent years, the benefits of diversification have been less apparent; even now, shares in Asian semiconductor makers are hitting new highs, driven by the very US-centric breakthroughs in AI. However, as we have pointed out, trading between Emerging Market (and Frontier Market) countries is on the rise and much of this trade is not being conducted in US dollars. It is very noticeable that a Saudi investment company just participated in a funding round for a Beijing based AI start up, surely a case of hedging one's bets. In an era of raised geopolitical tensions it is likely that

most countries, including most Emerging Market countries, will try to chart a middle course; they will not be the 'Them' and they will not be the 'Us'. What they will offer is genuine opportunities and diversification. We have recently been looking at opportunities in as far afield as Kazakhstan and Vietnam, but go see for yourself; perhaps I could recommend Cambodia?

Performance

The portfolio continues to be barbelled with a well-diversified range of idiosyncratic positions. The halo of Artificial Intelligence (AI) continues to impact the portfolio with TSMC remaining one of the top performers over the last year. TSMC has always been very careful not to gouge its customers, but it seems likely that some price rises may be in order by the end of the year. Such price rises are likely to be focussed on leading edge products used in AI servers where it represents a relatively small component of the overall cost. The company is likely to be more conservative with its smartphone customers (Apple, Qualcomm and Mediatek) where it is a larger element of the cost and where nascent 'edge' applications have yet to drive a meaningful replacement cycle. Nonetheless, successful price rises will inevitably lead to an upgrade in earnings forecasts, potentially driving the share price higher in a stock that is already ~9% of the MSCI Index. This focuses debate within the team on whether we are at peak valuations, or merely in the foothills of a very large and enduring Tech cycle. For the time being we are giving more weight to the latter than the former.

SEA Limited has continued to be a robust contributor to performance again this quarter. The share price reached its recent nadir in mid-January since then it has approximately doubled. In truth, there had been some confusion within the market as to whether the company was prioritising growth or profitability. A recent dinner in Edinburgh with the management clarified that ultimately they were pragmatic when it came to prioritisation. This has manifested itself in two decent quarters which has done much to restore the market's confidence. 1Q24 results saw revenues growing at 23% Year-over-year (YoY) while the ecommerce business, Shopee showed faster than expected progress towards break-even while the Gaming and the Fintech businesses remain profitable. The company retains an US\$ 8.6 billion cash position which puts it in an enviable position to invest at a time when some

of its competitors are constrained by higher capital costs.

First Quantum Minerals also continued to contribute again this quarter. This has largely been the result of the surge in copper prices which peaked at over US\$ 5/lbs in May before correcting into the quarter end. The copper price tends to react to short term economic noise and is currently at a level which appears insufficient to prompt renewed investment but is not so high as to start provoking substitution (by Aluminium). Nonetheless, most forecasts suggest a supply deficit in the coming years both because of the energy transition but also because the power demands of AI are just beginning to be recognised. It is worth remembering that turning copper discoveries into producing assets can take decades; the supply response is likely to be slow and uneven, creating bottlenecks. First Quantum still has to try and negotiate the re-opening of its Cobre mine in Panama, which now has a new President-elect Jose Raul Mulino. One of his first priorities will be the budget given traffic in the Canal is restricted because of drought and Cobre (the second biggest contributor to government finances) is currently operating on a 'care and maintenance basis'. Fitch downgraded Panama's sovereign rating to BB+ from BBB- in March this year.

We have long favoured engaging with companies with the aim of getting them to improve rather than using the blunt tool of third party screens to exclude them. A good example of this has been Brilliance China. The company was originally BMW's 50/50 joint venture partner in China. A change in domestic foreign ownership regulations meant that BMW paid US\$ 4.1 billion to raise its stake in the joint venture to 75%, while extending the agreement to 2040. Brilliance China then uncovered unauthorised loans to its parent, the accounts were delayed and the stock suspended in May 2021. Through the lengthy period of suspension, we wrote to the Company and its Board seeking clarification on the type and scale of the issues, what investigations were being undertaken and what remedial steps were being proposed. After some delay, the company began to address the issues raised but remained suspended on the Hong Kong Stock Exchange. We therefore contacted the Exchange and queried why, given the company's corrective actions it remained suspended. Brilliance finally re-listed in October 2022 with a reconstituted Board, half of which is now independent. As a result, Brilliance is now paying out the proceeds of its sale of 25% of the BMW joint venture to shareholders in a series of

special dividends and the share price responded positively.

Bank Rakyat in Indonesia has been amongst the detractors this quarter. Rather against the run of play in Emerging Markets, the Bank of Indonesia raised its benchmark interest rates 25 basis points to 6.25% in April. This was unwelcome for Bank Rakyat which was already suffering from rising credit costs in its small business and micro loan portfolio. Correspondingly, management lowered guidance for its loan growth, margins and credit costs for 2024. We regard these as relatively short term issues, as micro-lending is by its very nature a volatile business. The bank has moved quickly, hiring approximately 1,000 additional loan officers (to about 27,000) to improve collection and has significantly tightened credit controls. While these process improvements are welcome, micro loans make up almost half of its loan book, a high proportion of which are fixed-rate loans. Accordingly, the Bank should benefit when the Indonesian rate cycle turns.

We have written in our most recent monthly about elections in Emerging Markets. There are of course exceptions, but generally most governments are neither as good as hoped for or as bad as feared. One country that has seen a short term impact is Mexico. The new President, Claudia Sheinbaum, is very much a protégé of the outgoing incumbent, AMLO, and is very much seen as the continuity candidate. However, fears that her supermajority will allow her to pursue the more radical parts of her agenda has spooked markets. Equities have sold off, including conglomerate FEMSA and Banco Banorte, which are in the portfolio. We see nothing at present to suggest that either companies' long term prospects have been affected by Sheinbaum's ascendancy, especially as her initial cabinet appointments reflect a measure of continuity and moderation. It is likely that Mexico's economic fortunes will ultimately be more greatly influenced by the outcome of the US elections in November.

We continue to be positive on the Emerging Markets asset class with portfolios positioned accordingly. We are continuing to find a wide variety of opportunities in countries that are beneficiaries of supply chain re-alignment, that have critical commodity resources and those that have large and under-served domestic markets. Competition for capital within the portfolios remains fierce.

Performance Objective

To outperform the MSCI Emerging Markets Index over the long term.

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	6.5	5.0	1.5
1 Year	15.0	13.6	1.4
3 Year	-4.5	-1.8	-2.7
5 Year	3.7	3.6	0.1
10 Year	7.9	6.3	1.6
Since Inception	8.7	5.6	3.1
USD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	6.6	5.1	1.5
1 Year	14.4	13.0	1.4
3 Year	-7.3	-4.7	-2.7
5 Year	3.6	3.5	0.1
10 Year	4.7	3.2	1.5
Since Inception	7.9	4.8	3.1
EUR	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	7.4	5.9	1.5
1 Year	16.4	15.0	1.4
3 Year	-4.1	-1.4	-2.7
5 Year	4.9	4.8	0.1
10 Year	7.3	5.7	1.6
Since Inception	8.5	5.4	3.1
CAD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	7.8	6.3	1.5
1 Year	18.2	16.8	1.4
3 Year	-4.2	-1.5	-2.7
5 Year	4.6	4.4	0.1
10 Year	7.4	5.8	1.6
Since Inception	8.0	4.9	3.1
AUD	Composite Net (%)	Benchmark (%)	Difference (%)
3 Months	4.1	2.7	1.5
1 Year	14.0	12.6	1.4
3 Year	-3.6	-0.9	-2.8
5 Year	4.6	4.5	0.1
10 Year	8.4	6.8	1.6
Since Inception	8.3	5.2	3.1

Annualised periods ended 30 June 2024. 3 Month & 1 Year figures are not annualised.

Inception date: 30 September 1994

Figures may not sum due to rounding.

Benchmark is MSCI Emerging Markets Index.

Source: Revolution, MSCI.

The EM All Cap composite is more concentrated than the MSCI Emerging Markets Index.

Discrete Performance

GBP	30/06/19- 30/06/20	30/06/20- 30/06/21	30/06/21- 30/06/22	30/06/22- 30/06/23	30/06/23- 30/06/24
Composite Net (%)	2.2	35.1	-27.1	3.7	15.0
Benchmark (%)	-0.1	26.4	-14.7	-2.4	13.6
USD	30/06/19- 30/06/20	30/06/20- 30/06/21	30/06/21- 30/06/22	30/06/22- 30/06/23	30/06/23- 30/06/24
Composite Net (%)	-0.7	51.0	-35.9	8.6	14.4
Benchmark (%)	-3.0	41.4	-25.0	2.2	13.0
EUR	30/06/19- 30/06/20	30/06/20- 30/06/21	30/06/21- 30/06/22	30/06/22- 30/06/23	30/06/23- 30/06/24
Composite Net (%)	0.6	43.0	-27.3	4.0	16.4
Benchmark (%)	-1.7	33.9	-14.9	-2.1	15.0
CAD	30/06/19- 30/06/20	30/06/20- 30/06/21	30/06/21- 30/06/22	30/06/22- 30/06/23	30/06/23- 30/06/24
Composite Net (%)	3.5	37.3	-33.2	11.4	18.2
Benchmark (%)	1.1	28.5	-21.9	4.9	16.8
AUD	30/06/19- 30/06/20	30/06/20- 30/06/21	30/06/21- 30/06/22	30/06/22- 30/06/23	30/06/23- 30/06/24
Composite Net (%)	1.2	38.5	-30.0	12.2	14.0
Benchmark (%)	-1.2	29.6	-18.1	5.6	12.6

Benchmark is MSCI Emerging Markets Index.

Source: Revolution, MSCI.

The EM All Cap composite is more concentrated than the MSCI Emerging Markets Index.

Top Ten Largest Holdings

Stock Name	Description of Business	% of Portfolio
TSMC	Semiconductor manufacturer	13.4
Samsung Electronics	Producer of consumer and industrial electronic equipment	6.6
Tencent	Technology conglomerate	5.3
Reliance Industries	Indian conglomerate in energy, textile, digital and financial services and more	4.1
Petrobras	Oil exploration and production company	4.0
MercadoLibre	Latin American e-commerce and fintech platform	3.7
SK Hynix	Korean manufacturer of electronic components and devices	3.6
Alibaba	Chinese e-commerce, cloud infrastructure, digital media, and payments.	2.3
Hyundai Motor Company	Korean auto manufacturer	2.3
MediaTek	Taiwanese electronic component manufacturer.	2.1
Total		47.6

Top and Bottom Five Geographical Location Positions*

Geographical Location	% Difference
Brazil	7.4
South Korea	1.8
Other Emerging Markets	1.7
Mexico	1.7
Thailand	1.5
India	-5.0
Saudi Arabia	-3.0
Taiwan	-2.5
South Africa	-1.8
Malaysia	-1.4

Top and Bottom Five Industry Positions*

Industry	% Difference
Broadline Retail	9.0
Semiconductors & Semiconductor Equipment	6.8
Oil, Gas & Consumable Fuels	4.5
Financial Services	2.2
Household Durables	1.8
Banks	-7.6
Multiline Retail	-4.1
Chemicals	-2.1
Electronic Equipment, Instruments & Components	-1.9
Electrical Equipment	-1.6

*Relative to MSCI Emerging Markets.

Source: Baillie Gifford & Co, MSCI.

Voting Activity

Votes Cast in Favour		Votes Cast Against		Votes Abstained/Withheld	
Companies	None	Companies	None	Companies	None
Resolutions	None	Resolutions	None	Resolutions	None

Company Engagement

Engagement Type	Company
Environmental	CEMEX, S.A.B. de C.V., HDFC Life Insurance Company Limited, KGHM Polska Miedz S.A., Raizen S.A., Samsung Electronics Co., Ltd., Sea Limited, Taiwan Semiconductor Manufacturing Company Limited, Valeura Energy Inc.
Social	Anker Innovations Limited, CEMEX, S.A.B. de C.V., HDFC Life Insurance Company Limited, PT Bank Rakyat Indonesia (Persero) Tbk, Samsung Electronics Co., Ltd., Taiwan Semiconductor Manufacturing Company Limited, Valeura Energy Inc.
Governance	Anker Innovations Limited, CEMEX, S.A.B. de C.V., First Quantum Minerals Ltd., Fomento Economico Mexicano, S.A.B. de C.V., HDFC Life Insurance Company Limited, KGHM Polska Miedz S.A., Raizen S.A., Samsung Electronics Co., Ltd., Sea Limited, Taiwan Semiconductor Manufacturing Company Limited, Valeura Energy Inc., Zai Lab Limited
Strategy	MercadoLibre, Inc., Nu Holdings Ltd., Raizen S.A., Valeura Energy Inc.

Company	Engagement Report
Fomento Economico Mexicano, S.A.B. de C.V.	<p>Objective: To further understand FEMSA's use of an Accelerated Share Repurchase (ASR) programme when buying back ADRs and share wider research findings on the topic.</p> <p>Discussion: Baillie Gifford's Head of Trading followed up with the company Treasurer and Investor Relations in FEMSA to better understand its recent share buyback through an ASR programme. Research has found that due to the implementation of execution products, 20 per cent (by value) of share buybacks were undermining shareholder interests. There is limited awareness of this topic in company management teams and on boards.</p> <p>FEMSA employs two buyback strategies: It buys back shares directly in the local Mexican market, controls the trading, and the broker acts as an agent. It also buys back ADRs through an ASR program, where the broker acts as Principal. In Mexico, locally-listed companies may only buy back stock on the local exchange. The options to buy back depositary receipts listed in the US are either by way of a tender offer or a derivative product such as an ASR. We had questions about the terms of the ASR and how the company buys and negotiates. The company acknowledged the challenges negotiating the terms of its first contract and reported that it subsequently tightened the contract terms on its second, recently announced ASR. The process has good oversight as the FEMSA Finance Committee reports to the Board on all buyback matters.</p> <p>Outcome: As supportive investors, we wanted to help raise awareness in the company about potential pitfalls. We will continue to follow up on this topic.</p>
Raizen S.A.	<p>Objective: We met with Raizen's chief financial officer (CFO) and head of investor relations as part of a wider investment meeting to better understand the sustainability opportunities linked to its sugar, ethanol and mobility businesses.</p> <p>Discussion: Raizen is a Brazilian joint venture between Cosan and Shell specialising in sugar production and ethanol. Our climate team recently undertook an avoided emissions review of Raizen, and this meeting provided an opportunity to follow up on some questions. Raizen sees sustainability opportunities through sugar traceability and the decarbonising role of ethanol. Brazilian policy continues to support biofuel blending for vehicles to reduce emissions, and the CFO also shared his perspectives on the future of electric vehicles and hybrid in Brazil. Its second-generation ethanol E2G (made from sugarcane waste) can be widely used, but it sees particular opportunities in decarbonising aviation (through Sustainable Aviation Fuel SAF). It recently opened its second E2G plant and has a target for 20 in total by 2030, noting long-term contracts and opportunities with Shell and others. We also discussed the Groupo Nos partnership with OXXO, which has seen rapid expansion and strategic alignment with FEMSA. The CFO highlighted plans for capital allocation, focusing on agriculture, E2G, refinery opportunities and fuel distribution. They are divesting from some businesses where they do not see long-term growth.</p> <p>Outcome: This meeting provided further insights into Raizen's sustainability-related opportunities.</p>
Sea Limited	<p>Objective: We met with Sea Ltd to continue discussing board composition and remuneration and hear an update on the company's developing climate strategy.</p> <p>Discussion: Our engagement focused on board recruitment, including management's considerations and efforts in recruiting new board members, focusing on finding individuals with the correct skill set. We also discussed remuneration, particularly a recent executive compensation cap. Sea Ltd clarified its remuneration approach and reassured us that employee pay is competitive. The meeting also provided an opportunity to question the company's climate change strategy. While there are no immediate plans to set decarbonisation targets, Sea Ltd has considered climate and has published scope 1 and scope 2 emissions data, indicating relatively low emissions. Future emissions reductions are expected to result from broader operational improvements.</p> <p>Outcome: Overall, our engagement highlighted ongoing efforts and challenges in board recruitment, which we will continue to monitor. Sea Ltd's actions reflect responsiveness to investor concerns and a willingness to improve governance and environmental stewardship.</p>

Company	Engagement Report
Valeura Energy Inc.	<p>Objective: To provide feedback to Valeura and discuss opportunities for further progress on its sustainability priorities and disclosures.</p> <p>Discussion: Our engagement with Valeura Energy Ltd has focused on operational safety, emissions, and the company's growth strategy. Valeura acquired assets in Thailand from KrisEnergy and Mubadala, which are focused on extracting value through well-managed operations. Following our meetings last year with the chief operating officer (COO) and the chief executive officer, where material sustainability topics were discussed, it was helpful to see it delivered on its promise to provide disclosures on emissions and safety topics, incorporating many of the suggestions we had previously offered. Our most recent call with the COO was an opportunity to give feedback on its recent report. Following acquisitions, it has been working to gather baseline data before setting targets. It now reports scope 1 and 2 emissions and methane as a separate line. We discussed some challenges and opportunities it sees regarding its assets for setting targets. Venting continues to be a challenge at one of its assets. It sees longer-term opportunities in gas. We also discussed suggestions about future climate risk reporting, health and safety standards, and managing material topics for its business.</p> <p>Outcome: We are encouraged by the progress, particularly in emissions reporting and safety measures and look forward to seeing the detailed emissions targets. We will continue to support and bring challenge to Valeura in these areas.</p>

Votes Cast in Favour

We did not vote in favour of any resolutions during the period.

Votes Cast Against

We did not vote against any resolutions during the period.

Votes Abstained

We did not abstain on any resolutions during the period.

Votes Withheld

We did not withhold on any resolutions during the period.

New Purchases

Stock Name	Transaction Rationale
Axis Bank	Axis Bank is a medium-sized private sector bank in India, founded in 1994. It has successfully grown the scale and quality of its bank deposit franchise. It is now focusing on expanding its retail and small business loan books, particularly diversifying away from its core corporate credit franchise. It has also invested heavily in its digital capabilities to provide excellent customer service. Management is focused on growing the bank profitably and sustainably, while the valuation is reasonable, particularly in an Indian context.
Impala Platinum	Impala Platinum is a South African producer of platinum group metals (PGMs) with mining operations in South Africa, Zimbabwe and Canada. PGM prices have been weak in recent years. Most palladium is used in catalytic converters for diesel vehicles, while platinum has more end-uses with catalytic converters for gasoline cars being the most significant. The common heuristic is that growth in electric vehicles will translate into much lower PGM demand and hence weak PGM prices. The reality is more nuanced than that. Hybrid electric vehicles still need PGMs, while platinum electrolyzers may be widely used in green hydrogen. Impala has significant leverage to an increase in PGM prices. After a period of significant share price weakness, we bought a holding.
Kaspi.kz	Kaspi's combination of lending, e-commerce and payments has driven strong growth, and its competitive position in Kazakhstan is unrivalled. Continued operational progress and still-low valuations have warranted us revisiting the investment case. Our conversations with management have reassured us that a sizeable growth opportunity remains. The alignment between the government, the company, and shareholders appears stable. While we cannot rule out political or geopolitical risks, they have diminished. We believe the shares are attractive and have bought a holding.
Luckin Coffee	Luckin is the largest coffee company in China, having recently overtaken Starbucks. In 2020, the company was delisted, and the founder was expelled after fraudulent sales were revealed. However, the new management team, backed by new investors, have stabilised the business and built an exceptional mass-market beverages brand. We met some of the new management recently, and believe that the company has a long growth runway ahead of it, with the scope to increase profitability too. As a result of its fraud, the company is still traded off-exchange in the US, but ample liquidity is available to make an investment. Luckin continues to meet all SEC requirements and is considering a full listing in the US or Hong Kong in future. Continued operational growth and the potential for a substantial re-rating of the shares make this an attractive investment.
Mobile World Investment Corporation	We have purchased a new holding in Mobile World Corp, a Vietnamese retailer. We have long admired its dominance in electronics retailing in the country, and more recently how it has out-competed e-commerce operators and also managed the volatility during the pandemic. They have used this core retailing competence to build out a 2,000-strong chain of modern grocery stores. However, the last year has been challenging for the company operationally. It has faced price competition due to inventory oversupply across all Vietnamese consumer electronics retailers. Secondly, Vietnam has faced a broader economic slowdown, which has resulted in slowing consumer spending in grocery. However, we believe this to be a classic capital cycle: the fundamentals of both of its businesses remain intact, competition has been weakened, and as a result the company will come out stronger in the long term. We also believe the shares are now considerably undervalued.
Saudi Tadawul Group	Established in 2007, Saudi Tadawul Group (STG) operates a fully integrated securities exchange in Saudi Arabia, allowing it to capture value from trading, listing, clearing and settlement activities. It covers all major financial instruments, including equities, REITs, exchange-traded funds, bonds, sukuks and derivatives. The government's Saudi Vision 2030 targets will directly benefit STG through its privatisation programme and expansion of the equity market. Other areas for growth include greater foreign participation in Saudi markets and further variety of products and services offered. The Saudi bond and derivatives markets are still both relatively small. While the revenues of any exchange are volatile, we believe that there are several strong, diverse, long-term drivers of growth for STG.

There were no complete sales during the period.

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