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BlackRock

BlackRock Frontiers Investment Trust plc

Annual Report and Financial Statements 30 September 2024

Keeping in touch

We know how important it is to receive up-to-date information about the Company.

To ensure that you are kept abreast, please scan the QR code to the right of this page to visit our website. If you have a smartphone, you can activate the QR code by opening the camera on your device and pointing it at the QR code. This will then open a link to the relevant section on the Company's website. By visiting our website, you will have the opportunity to sign up to our monthly newsletter which includes our latest factsheets and market commentary, as well as upcoming events and webinars. Information about how we process personal data is contained in our privacy policy available on our website.

Use this QR code to take you to the Company's website where you can sign up to monthly insights and factsheets.

Further information about the Company can be found at www.blackrock.com/uk/brfi.

General enquiries about the Company should be directed to the Company Secretary at: cosec@blackrock.com.

Register here to watch this year's Annual General Meeting

For the benefit of shareholders who are unable to attend this year's AGM in person, we have arranged for the proceedings to be viewed via a webinar. You can register to watch the AGM by scanning the QR code opposite or by visiting our website at www.blackrock.com/uk/brfi and clicking the registration banner.

Please note that it is not possible to speak or vote at the AGM via this medium and joining the webinar does not constitute attendance at the AGM. Shareholders wishing to exercise their right to attend, speak and vote at the AGM should either attend in person or exercise their right to appoint a proxy to do so on their behalf. For further details please see page 140 of the Annual Report.

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Financial highlights

as at 30 September 2024

194.50 cents

Ordinary share price

+15.8%[1,2]

145.00 pence

Ordinary share price

+5.4%[1,2]

214.57 cents

Net asset value (NAV) per ordinary share

+16.5%[1,2]

159.96 pence

NAV per ordinary share

+6.0%[1,2]

+15.7%

Benchmark Index[3]

(US$)

+5.3%

Benchmark Index[3]

(GBP)

9.50 cents

Total dividends

18.8%

4.9%[2,4]

Yield

US$406.2m

Net assets

+11.7%

The above financial highlights are at 30 September 2024 and percentage comparisons are year-on-year against 30 September 2023.

1 Mid-market share price and NAV performance are calculated in British Pound Sterling (GBP) and US Dollar terms with dividends reinvested. Based on an exchange rate of US$1.3414 to £1 at 30 September 2024 and US$1.2206 to £1 at 30 September 2023.

2 Alternative Performance Measure, see Glossary on pages 130 to 134.

3 The Benchmark Index of the Company is the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets Index. Total return indices calculate the reinvestment of dividends net of withholding taxes.

4 Based on dividends paid and declared for the year ended 30 September 2024 and share price as at 30 September 2024.

← Pakistan was the best performing market in Asia, helped by the US$3 billion IMF interim programme secured in June 2023.

Why BlackRock Frontiers Investment Trust plc?

Investment objective

The Company's investment objective is to achieve long-term capital growth by investing in companies domiciled or listed in or exercising the predominant part of their economic activity in less developed countries. These countries (the "Frontiers Universe") are any country which is neither part of the MSCI World Index of developed markets, nor one of the eight largest countries by market capitalisation in the MSCI Emerging Markets Index being: Brazil, China, India, South Korea, Mexico, Russia, South Africa and Taiwan (the "Selected Countries").

Reasons to invest

Differentiated growth opportunity

Investing in frontier markets provides the Company with the opportunity to identify attractively valued businesses operating within faster growing economies often delivering highly attractive growth in cash flows and dividends. These markets typically have low correlation with each other and the developed markets, offering portfolio diversification opportunities.

Long-term focus

The portfolio managers look through the daily noise which impacts markets, seeking out mis-priced assets in some of the fastest growing countries in the world, home to over 3 billion people. The portfolio managers look to align themselves with good management teams of highly cash flow generative companies that they believe have the ability to create long-term value.

Closed-end structure

Investment Trusts have an independent Board of Directors appointed to protect shareholders' interests and enhance shareholder value. The closed-end structure means the Company does not have to sell assets to meet redemptions, making it more suitable for holding less liquid assets. It can also retain a proportion of its income to help smooth dividend payments and use gearing to potentially increase returns over time, and can invest for the long term in a more diverse portfolio of assets.

Expertise and idea generation

The Company is managed by BlackRock's Global Emerging Markets team and benefits from its expertise and global reach. The team has the resources to undertake extensive, proprietary, on-the-ground research to get to know the management of the companies in which they invest. The team also generates investment ideas using a diverse range of sources, including BlackRock's research platform.

Diversified portfolio

The portfolio managers aim to ensure risks and returns are diversified by end market exposures. They work closely with their colleagues in the BlackRock Risk and Quantitative Analysis group to ensure that portfolio risk is deliberate, diversified and scaled.

Yield

Whilst our investment objective is focused on capital appreciation, many of the companies in our portfolio distribute income. This revenue enables the Company to generate an attractive yield, an important component of long-term shareholder total return.

A member of the Association of Investment Companies

Further details about the Company, including the latest annual and half yearly financial reports, factsheets and stock exchange announcements, are available on the website at www.blackrock.com/uk/brfi.

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Cover image: Ho Chi Minh city. Vietnam offer interesting bottom-up opportunities. We believe the country is a beneficiary of our “World in 3” narrative and will continue to benefit from increased geopolitical polarisation through increased FDI as new alliances are forged.

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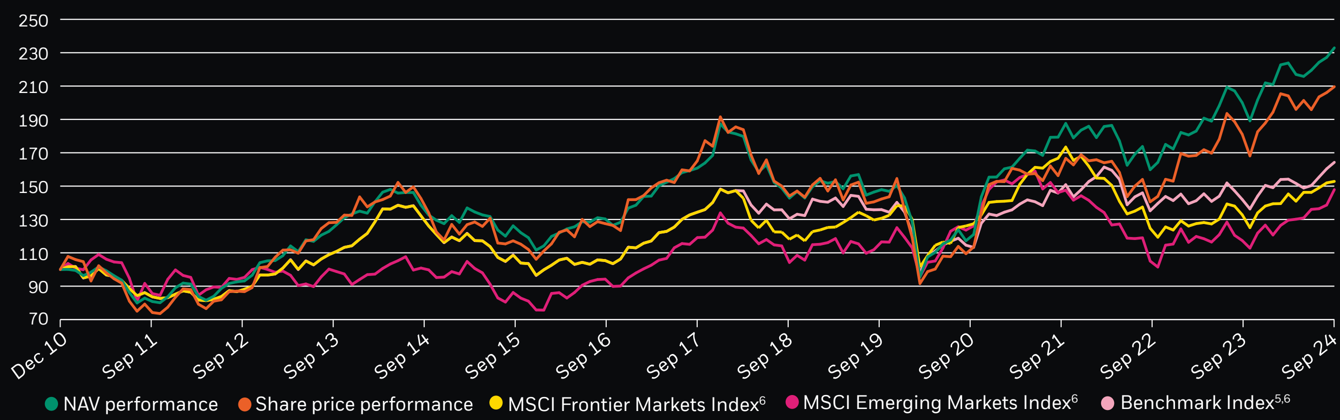
Performance record

The Company's financial statements are presented in US Dollars. The Company's shares are listed on the London Stock Exchange and quoted in British Pound Sterling. The British Pound Sterling amounts for performance returns shown below are presented for convenience. The difference in performance returns measured in US Dollars and in British Pound Sterling reflects the change in the value of British Pound Sterling versus the US Dollar over the period.

	As at 30 September 2024	As at 30 September 2023
US Dollar		
Net assets (US$'000)[1]	406,243	363,598
Net asset value per ordinary share (cents)	214.57	192.05
Ordinary share price (mid-market)[2] (cents)	194.50	175.76
British Pound Sterling		
Net assets (£'000)[1,2]	302,850	297,897
Net asset value per ordinary share[2] (pence)	159.96	157.35
Ordinary share price (mid-market) (pence)	145.00	144.00
Discount[3]	9.4%	8.5%

Performance	For the year ended 30 September 2024 %	For the year ended 30 September 2023 %	Since inception[4] %
US Dollar			
Net asset value per share (with dividends reinvested)[3]	+16.5	+25.1	+132.9
Benchmark Index[5,6]	+15.7	+5.0	+64.4
MSCI Frontier Markets Index[6]	+15.1	+6.5	+52.8
MSCI Emerging Markets Index[6]	+26.1	+11.7	+47.9
Ordinary share price (with dividends reinvested)[3]	+15.8	+28.8	+109.7
British Pound Sterling			
Net asset value per share (with dividends reinvested)[3]	+6.0	+14.3	+169.8
Benchmark Index[5,6]	+5.3	-3.9	+89.7
MSCI Frontier Markets Index[6]	+4.7	-2.6	+77.6
MSCI Emerging Markets Index[6]	+14.7	+2.2	+71.9
Ordinary share price (with dividends reinvested)[3]	+5.4	+17.7	+142.6

Performance since inception on 17 December 2010 to 30 September 2024



All performance figures calculated on a US Dollar basis with dividends reinvested, rebased to 100 at 17 December 2010.

1 The change in net assets reflects dividends paid and portfolio movements during the year.
2 Based on an exchange rate of US$1.3414 to £1 at 30 September 2024 and US$1.2206 to £1 at 30 September 2023.
3 Alternative Performance Measures, see Glossary on pages 130 to 134.
4 The Company was incorporated on 15 October 2010 and its shares were admitted to trading on the London Stock Exchange on 17 December 2010.
5 With effect from 1 April 2018, the Benchmark Index changed to the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets Index. Prior to 1 April 2018, the Benchmark Index was the MSCI Frontier Markets Index. The performance returns of the Benchmark Index since inception have been blended to reflect this change.
6 Total return indices calculate the reinvestment of dividends net of withholding taxes.

Sources: BlackRock and LSEG Datastream.

Chair's statement

Dear Shareholder

Katrina Hart
Chair

Overview

Over the year to 30 September 2024, your Company's Net Asset Value per share produced a total return in US Dollars of +16.5%, compared to an increase in the Benchmark Index of +15.7%, resulting in outperformance of +0.8%[1]. This means that your Company's NAV has risen by +132.9% since launch, more than double the benchmark return of +64.4%. For British Pound Sterling based shareholders, the equivalent return for the year was +6.0%, with the Benchmark Index returning +5.3%, representing outperformance of +0.7%[1].

Since the financial year end and up to close of business on 2 December 2024, the Company's NAV has decreased by -2.2% compared with a decrease in the Benchmark Index of -5.7%, representing an outperformance of +3.5%. For British Pound Sterling based shareholders, the equivalent return for the financial year to date is +3.9%, with the Benchmark Index returning +0.2%, representing outperformance of 3.7%[1].

Our portfolio managers provide a detailed description of the key contributors to and detractors from performance during the period, insight into the positioning of the portfolio and their views on the outlook for the forthcoming year in their report, which follows on pages 11 to 15.

I am delighted to tell you that the Company won the Investment Week Investment Company of the Year Award 2024 – Global Emerging Markets category for the third year in a row. The Company also won the CityWire Investment Trust Award 2024 - Global Emerging Markets Equities Trust. I am sure shareholders will join me in congratulating the investment team on these notable achievements.

INVESTMENT WEEK INVESTMENT COMPANY OF THE YEAR AWARDS 2024 WINNER EMERGING MARKETS

CITYWIRE INVESTMENT TRUST AWARDS 2024 WINNER

WINNER Emerging Markets Equity – Active INVESTMENT AWARDS 2023 BLACKROCK FRONTIERS INVESTMENT TRUST PLC

INVESTMENT WEEK INVESTMENT COMPANY OF THE YEAR AWARDS 2023 WINNER EMERGING MARKETS

Revenue return and dividends

The Company's revenue return per share for the year amounted to 9.97 cents (2023: 8.38 cents). The Directors are recommending the payment of a final dividend of 6.00 cents per ordinary share (2023: 4.90 cents) in respect of the year ended 30 September 2024. Together with the interim dividend of 3.50 cents per share (2023: 3.10 cents), this represents a total of 9.50 cents per share (2023: 8.00 cents) and an increase of 18.8% over the previous year.

Subject to shareholder approval, this dividend will be paid on 14 February 2025 to shareholders on the register at close of business on 10 January 2025. The ex-dividend date will be 9 January 2025. The Company does not have a policy of actively targeting income; nevertheless, this return represents an attractive yield of 4.9% (please see the Glossary on page 134 for the inputs to the yield calculation).

[1] All numbers are stated with dividends reinvested.

Fees and charges

Following its outperformance of the Benchmark Index during the financial year, the Manager generated a performance fee of US$3.5m for the year ended 30 September 2024. As per best practice, the performance fee structure is subject to a maximum cap and a high water mark. This mechanism requires the Manager to catch up any cumulative underperformance against the Benchmark Index since launch before a performance fee can be generated.

The Board recently conducted a comprehensive review of the Company's investment management and performance fee arrangements, which included seeking a formal opinion on all aspects of the fee structure from an independent third party. As a result of this review, certain changes are being made to the fee arrangements. With effect from 1 October 2024, the management fee will be levied on the Company's net asset value (previously the fee was levied on the Company's gross assets, defined as the aggregate net assets of the long equity and CFD portfolios of the Company). In practice this will have minimal impact on the quantum of the fee due to the fact that the accounting basis for calculating the net asset value of the CFD portfolios means that gross assets often equate to net assets to the extent the Company is not leveraged through other means. However, it aligns the fee structure with broader market practice and has the benefit of being simpler to understand. In addition, a tiered fee structure will be introduced with effect from the same date, such that a fee of 1.1% per annum will be levied on the Company's net assets up to US$650 million, reducing to 1% per annum on net assets above this amount. The Board notes that the US$650 million threshold for tiering is aligned to a British Pound Sterling equivalent threshold of £500 million, which is comparable to or lower than the five other trusts in the AIC Global Emerging Markets sector (the sector in which the Company sits) that have adopted a tiered fee structure. Following this review, the Board believes the fee structure is appropriate.

Further details of the Company's costs and charges can be found in note 4 on pages 95 and 96 and in the Glossary on page 133.

Share capital management

For the year under review, the Company's ordinary shares traded at an average discount to NAV of 8.5% and were trading at a discount of 9.1% on a cum-income basis at 2 December 2024, the latest practicable date prior to the issue of this report.

The Directors recognise the importance to investors of ensuring that the Company's shares do not trade at a significant discount or premium to NAV. Accordingly, the Directors will consider the issue of shares at a premium or the repurchase at a discount to help balance demand and supply in the market. The Company also provides a five-yearly opportunity for shareholders to realise the value of their ordinary shares at the prevailing NAV less costs. The next such opportunity will occur in early 2026.

The Directors have been granted the authority by shareholders to buy back up to 14.99% of the Company's issued share capital (excluding any shares held in treasury) and also to issue or sell from treasury on a non-pre-emptive basis up to 10% of the Company's issued share capital. Both authorities expire on the conclusion of the forthcoming Annual General Meeting (AGM) to be held on Wednesday, 5 February 2025, at which time resolutions will be put to shareholders seeking a renewal of these powers. Further information can be found in the Directors' Report on page 54.

As at 30 September 2024, the Company had 189,325,748 ordinary shares in issue, excluding 52,497,053 shares held in treasury. No shares were bought back during the year. However, since the year end and up to 2 December 2024, the Company bought 25,000 ordinary shares back at an average price of 149.00p per share for a total cost of £37,000. All shares have been placed in treasury. No shares were issued during the year under review or post year end from 1 October 2024 up to the date of this report.

The Board monitors the Company's discount to NAV closely and receives regular updates from the Manager and our corporate broker, Winterflood Securities. In the Board's opinion, it is important to consider the discount in the context of wider market conditions, with investor sentiment and discounts being influenced by various external factors, including the war in Ukraine, the conflict in the Middle East and prolonged higher interest rates. Against this backdrop, the average discount for the investment company sector as a whole has recently exceeded 15%. The Company's discount compares favourably to this level, as it does to the average discount of the AIC Global Emerging Markets sector which stood at 11.15% on 2 December 2024, the latest practicable date prior to the publication of this report.

The Board believes that the best way to encourage a narrowing of the discount at which the Company's shares trade is to continue to deliver strong investment performance and to communicate the unique attractions of our investment proposition to both existing and new shareholders. To this end, the Board has recently initiated a project to scrutinise investors' perception of the Company with the help of an external agency and this will enable us to refine our marketing strategy over the coming months.

Gearing

One of the advantages of the investment trust structure is that the Company can use gearing with the objective of increasing portfolio returns over the longer term. The Company utilised its ability to gear the portfolio through its CFD exposure during the year. As at the year end, net gearing stood at 4.0%. This compares with 12.0% at the start of the financial year, with the decrease reflecting timing differences on the back of profit taking prior to reinvesting the proceeds.

Board composition

As announced on 18 January 2024, Mr Hatem Dowidar was appointed a non-executive Director of the Company with effect from 7 February 2024. Hatem brings a wealth of relevant experience in frontier markets, both strengthening and complementing the skills of the existing Board. Hatem is based in the Middle East and through his role as CEO of a major telecommunications company operating in the region, he possesses in-depth knowledge of these markets. We welcome him and believe his expertise and on-the-ground market insight will be of great value to the Board.

As at 30 September 2024, the Board consisted of five independent non-executive Directors. As part of its succession planning, the Board regularly considers its composition to ensure that a suitable balance of skills, knowledge, experience, independence and diversity is achieved to enable the Board to discharge its duties most effectively. The Directors submit themselves for re-election annually and therefore all Directors will stand for either election or re-election at the forthcoming AGM.

Further information on the Directors' backgrounds and experience can be found on pages 31 to 33.

Corporate governance

The Board takes its governance responsibilities very seriously and follows best practice wherever possible. The UK Code of Corporate Governance (the UK Code) requires enhanced disclosure setting out how we, as Directors, have fulfilled our duties, taking into account the wider interests of stakeholders in promoting the success of the Company.

As it does each year, and as required by the Corporate Governance Code, the Company undertook a comprehensive Board evaluation during the year. The overall conclusion was very positive in terms of the effectiveness of the Board and the skills, expertise and commitment of the individual Directors. The combination of a clear succession plan, structured search and selection process when making new appointments and thorough annual performance evaluation means that the Board remains confident that each Director is discharging their role effectively.

The Board is cognisant of the risk of "overboarding" and has considered the time commitment required by the Directors' other roles, taking into account their nature and complexity. The Board reviews this information annually, for each Director to ensure that all Directors have sufficient capacity to carry out their role effectively. Before recommending a Director for re-election, their independence, attendance record and ongoing commitment to the affairs of the Company are also considered.

Board diversity

I am pleased to report that the Board is compliant with the recommendations of the Parker Review and the FTSE Women Leaders Review and, at the date of this report, we have a 60:40 female to male gender ratio. In accordance with the Listing Rules, we have also disclosed the ethnicity of the Board and our policy on matters of diversity. The disclosure can be found on pages 59 and 60.

Environmental, Social and Governance (ESG) considerations

The frontier markets in which the Company can invest are home to over three billion of the world's population and through our investments we bring much needed capital to markets largely overlooked by developed world investors.

Material ESG issues can present both opportunities and risks to long-term investment performance. While the Company does not have an ESG investment objective or exclude investments based only on ESG criteria, ethical and sustainability issues are considered as part of the investment process. Your Board is committed to diligent oversight and, as such, during the year under review, we introduced measures to improve our understanding of ESG factors within the portfolio as well as the nature and frequency of engagement with investee companies.

Further information can be found on page 48.

Annual general meeting

This year's AGM will be held in person at 12:30 p.m. on Wednesday, 5 February 2025 at the offices of BlackRock at 12 Throgmorton Avenue, London, EC2N 2DL. Details of the business of the meeting are set out in the Notice of Annual General Meeting on pages 138 to 141 of this Annual Report.

Prior to the formal business of the meeting, our Investment Managers will make a presentation to shareholders. This will be followed by a question and answer session. Shareholders who are unable to attend the meeting in person but who wish to follow the AGM proceedings can do so via a live webinar this year. Details on how to register, together with access details, will be available shortly on the Company's website at: www.blackrock.com/uk/brfi. It is not possible to attend, speak or vote via this medium and it is solely intended to provide shareholders with the ability to watch the proceedings.

Additionally, if you are unable to attend you can exercise your right to vote by proxy or appoint a proxy to attend in your place. Details of how to do this are included on the AGM Proxy Card provided to shareholders with the annual report. If you hold your shares through a platform or nominees, you will need to contact them and ask them to appoint you as a proxy in respect of your shares in order to attend, speak and vote at the AGM. Further information on the business of this year's AGM can be found in the Notice of the Annual General Meeting on pages 138 to 141.

The Board very much looks forward to meeting shareholders and answering any questions you may have on the day. We hope you can attend this year's AGM.

Shareholder communication

I was delighted to offer my first meetings as Chair to several of our shareholders during the year. As always, it is invaluable to share views on the Company as well as the wider sector and I look forward to staying in regular dialogue going forward.

We appreciate how important access to up to date information is to our shareholders. To supplement our Company website, we continue to offer shareholders the ability to sign up to the Trust Matters newsletter which includes information on the Company as well as news, views and insights. Further information on how to sign up is included on the inside cover of this report.

In order to facilitate greater attendance and participation at the Company's AGM, I have sought to engage with shareholders who hold their shares through an intermediary or platform via the provisions of Section 793 of the Companies Act 2006. The Board encourages all shareholders to either attend the AGM or exercise your right to vote by proxy. The Board is also aware that certain execution only investment platforms are now providing shareholders with the ability to vote electronically. The Board encourages shareholders to take advantage of this functionality where it is available to you.

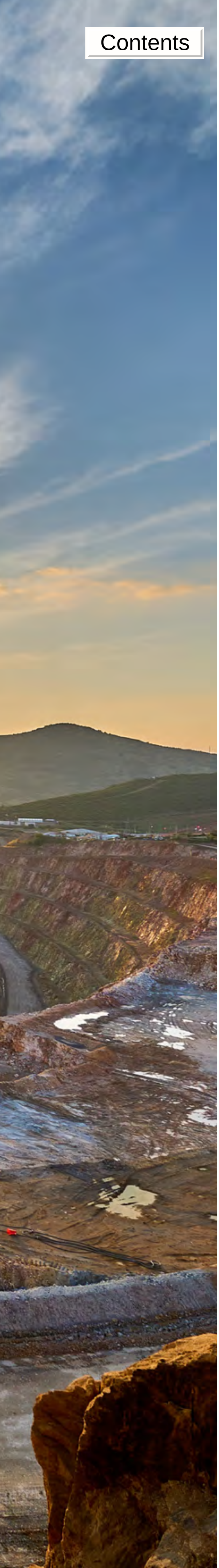
The Board takes its responsibilities very seriously and is committed to exercising the highest standard of corporate governance. It regularly considers the views of its major shareholders, offering to meet with them annually, and seeks to engage with all shareholders where possible. Should shareholders wish to contact me, you can do so by emailing me at chairbrfi@blackrock.com or by writing to the Company Secretary at the address given on page 122.

Outlook

The Company continues to provide shareholders access to fast growing and high quality companies operating in a diverse range of fascinating countries. These more specialist markets are often under researched and can therefore trade at very low valuations, providing a rich opportunity set for experienced investors. Our managers note that most of the key markets in our investment universe performed well this year, across Asia, the Middle East and Europe. They also describe positive political and economic reform in several countries, presenting them with a more stable and benign environment for investment. Frontier market central banks are in many cases further along the easing cycle than the developed economies and already well into the growth phase of the cycle. This, combined with an investment universe of countries with favourable demographics, a growing and more affluent middle-class, relatively low debt and low stock market valuations, both versus developed markets and their own history, presents an ever more compelling investment case for frontier markets. In addition, alongside capital growth, the Company's dividend yield remains a valuable element of our investment proposition.

As we enter the start of our next financial year, our portfolio managers are enthused by the breadth of the opportunity set, noting the improving fundamentals of several countries in which they have not invested for several years such as Egypt, Kenya, Nigeria, Pakistan and Sri Lanka. Against this improving macroeconomic backdrop, our portfolio managers continue to execute their long-established investment philosophy and process with great expertise and dedication. We believe they are uniquely placed to navigate the Company through these interesting and dynamic markets, unearthing hidden gems and providing investors with unrivaled access to the best frontier markets can offer.

KATRINA HART
Chair
4 December 2024



Investment Manager's Report

for the year ended 30 September 2024

Sam Vecht **Emily Fletcher** **Sudaif Niaz**

Market review

2024 marks yet another eventful year for our universe and emerging markets more broadly, both from a political and economic perspective. General elections have taken place across many countries in our universe and we have witnessed political leaders transition. We have seen the adoption of more orthodox monetary policies in countries such as Egypt and Turkey in an effort to fight inflationary pressures. More recently, we also observed the US Federal Reserve (Fed) embark on its long-awaited rate cutting journey and China announced an unexpected policy pivot, introducing stimulus measures to help reflate the economy. These developments provide a constructive backdrop for emerging markets broadly and, in particular, smaller emerging markets continue to reap investments and benefit from increased geopolitical polarisation. Therefore, we remain optimistic on the outlook for our investment universe after a positive last twelve months.

Earlier this year, we communicated how some of the smaller markets within our universe have implemented various policy reforms to stabilise their economies and attract investment. One such country we highlighted was Bangladesh, where the regulators removed price floor restrictions for most stocks in January 2024, paving the way for broader market participation. Since then, political change has dominated the news. Prime Minister Sheikh Hasina of the incumbent Awami League was forced to resign in early August 2024 following wide-spread protests. Muhammad Yunus, the former Nobel Peace Prize-winner, took over as head of Bangladesh's interim government. Bangladesh is a country with tremendous potential where a small amount of capital and investment can go a long way. A clean technocratic government should set the stage for a renewed investment cycle in Bangladesh.

Elsewhere in South Asia, Pakistani authorities recently agreed a 37-month Extended Fund Facility with the International Monetary Fund (IMF) worth about US$7 billion which will support their ongoing efforts to stabilise the economy. Prior to this agreement, the government had announced an ambitious budget for fiscal year 2024-25 which targets an increase in tax collection of 40% year-on-year to reduce the fiscal deficit to 5.9% of Gross Domestic Product (GDP), a drop from 7.5% in the previous year. Whilst substantial challenges remain, we are encouraged by the extent of reform envisaged.

In terms of performance, most of the markets within our universe have done well. Pakistan was the best performing market in Asia, returning +83.0%, helped by the US$3 billion IMF interim programme that was secured in June 2023 and subsequently upgraded to a US$7 billion Extended Fund Facility with strict reform criterion. Malaysia (+35.5%) and the Philippines (+22.7%) also did well. Bangladesh (-9.5%) lagged on the back of the significant political turmoil described above.

Turkish gold mine operator Eldorado Gold was the best performing stock over the period, helped by soaring gold prices.

PHOTO COURTESY OF ELDORADO GOLD

In Europe and the Middle East (EMEA), Poland (+45.7%) and Hungary (+36.4%) were the stand-out performers helped by declining inflation and a buoyant macroeconomy. Declining interest rates and strong corporate earnings growth have been supportive. By contrast, Egypt (-7.3%) and Turkey (+6.8%) underperformed the rest of the region. While the performance of Egypt's equity market remains challenged, we believe that the US$35 billion investment secured from the United Arab Emirates and US$8 billion new agreement with the IMF from earlier this year will bode well for the economy and the Egyptian capital markets.

In Latin America, Argentina was once again the stand-out performer, climbing by +90.6%. The market has been excited about President Milei's push for economic reforms which, coupled with easing inflation pressures and rising commodity prices, has helped support the stock market despite the concerns on the equilibrium exchange rate; Peru was also among the top performing markets, climbing by +57.4%, helped by higher copper prices.

From the road

Over the past 12 months, our team has travelled extensively across emerging and frontier markets. Travel helps us form differentiated insights, where we look to understand the entire ecosystem around companies and countries. We speak to customers, competitors, suppliers, trade unions, journalists, students, professors, as well as diplomatic and political entities and individuals to form a comprehensive view of the top-down and the bottom-up.

These travels often take us away from the well-trodden investment path to places such as Guyana, Peru, Egypt, Kenya and Nigeria. We have also visited countries such as Bangladesh, Malaysia, Indonesia, Philippines and Thailand in Asia as well as Kazakhstan, Georgia and Saudia Arabia during the past 12 months.

Indonesia has seen a smooth transition to a new government under President Prabowo who has retained some seasoned cabinet members from President Jokowi's administration, most notably Minister of Finance, Sri Mulyani. This has allayed some market speculation regarding some of the larger expenditure plans of the new administration and it also ensures continuity for in-progress reform within the state-owned-enterprises. Meanwhile, the external accounts of the country remain healthy with a small current account deficit that should be funded with foreign direct investment. The consumer sector has suffered from some of the uncertainty from the election process as well as higher interest rates. While concerns from the former are now reduced, the latter is still impacted by movements in global interest rates post the US presidential election. This has impacted liquidity conditions in the banking sector in the country and we are monitoring this closely. In the background, the Indonesian stock market remains relatively inexpensive given the country's prospect of sustainable high single digit nominal growth and we are cautiously optimistic for the new year.

Saudi Arabia continues to under go a significant social and labour force transformation. Both of these should enable greater productivity and support economic growth in the kingdom over the long term. In the current energy pricing regime, the balance of payments for the country looks manageable, however, the fiscal accounts look stretched. For the recently announced 2025 budget, the break-even oil price (at current run-rate of production and export) is estimated at approximately US$90/bl, well above the current price of circa. US$70/bl. In addition, the liquidity in the domestic banking system is constrained with elevated loan-deposit ratios. Therefore, we expect the government to rationalise its expenditure plans. In particular, we expect some of the large ticket megaprojects to be revisited and reprioritised. The initial indications from the Ministry of Finance confirm the same. Therefore, we are cautious on the economic outlook for the kingdom for next year and expect more muted markets as the local economy softens.

Guyana's GDP has grown by approximately 300% over the last four years, driven by its substantial oil reserves. There, we met with a range of stakeholders, including US diplomats, to better understand the investment opportunities on the ground in this fast-growing economy. Our goal is to be at the forefront and act as first movers when significant opportunities arise, for which our travels serve as a key tool. Peru is a country where we have been running an underweight position for most of this year, due to political and economic uncertainty on the ground. Our visit there reinforced our view of the challenging political landscape where both the congress and the president have record low approval ratings. Despite this, the economy is relatively stable, with inflation at 2.4% and the best trade balance in a decade. It is also a country that is benefitting from increased geopolitical fragmentation, exemplified by COSCO Shipping Lines', the Chinese state-owned conglomerate, US$3.5 billion investment in the Chancay port in Peru.

The team visited Malaysia in July 2024, and this is yet another example of a market benefitting from increased geopolitical fragmentation, as well as the spill-over for power demand from Singapore. We saw evidence of re-shoring across various sectors, particularly in parts of the semi-conductor supply chain as both Chinese and US companies take advantage of the existing ecosystem in Malaysia and the availability of affordable land, power capacity and skilled labour. We maintain exposure

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Chinese state-owned conglomerate COSCO Shipping has invested US$3.5bn into the Chancay port in Peru.

to the semi-conductor supply chain in Malaysia and continue to search for new bottom-up opportunities to take advantage of the spill-over from Singapore.

We visited Thailand recently which was timely given the shift in the political backdrop there. The election of Paetongtarn Shinawatra as Thailand's prime minister represents a return of her family's political dynasty following the previous ousting of her father (Thaksin Shinawatra) and aunt (Yingluck Shinawatra). Given some political stability with the Move Forward party sidelined, there have been announcements of stimulus (handouts) to offset weak tourism revenues, high leverage at households, and persistent asset quality problems in the banking sector. While such fiscal measures by the government may offer short-term respite, we maintain our view that the country remains in a tough spot structurally.

Portfolio review

In the 12 months to 30 September 2024, the Company's NAV and share price returned 16.5% and 15.8% respectively, (on a US Dollar basis with dividends reinvested), outperforming the Benchmark Index (the MSCI Frontier + Emerging Markets ex Selected Countries Index) which returned 15.7%. Over the same period the MSCI Emerging Markets Index returned 26.1% and MSCI Frontier Markets Index returned 15.1%. Since inception in December 2010, the Company's NAV and share price have returned 132.9% and 109.7%, respectively, compared with 64.4% on the Benchmark Index. For reference, the MSCI Frontier Markets Index and the MSCI Emerging Markets Index have returned 52.8% and 47.9%, respectively (all percentages in US Dollar terms with dividends reinvested).

Several stocks selected across a wide variety of markets did well. Turkish gold mine operator, **Eldorado Gold** (+94.4%), was the best performing stock over the period, helped by soaring gold prices. The price of the precious metal has rallied this year in response to increasing geopolitical tensions, particularly in the Middle East, and in anticipation of lower real interest rates from the Fed. European financials exposure through **PKO Bank Polski** (+68.1%) and **National Bank of Greece** (NBG) (+67.4%)

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Pakistan cement producer Lucky Cement is a new addition to the portfolio.

also did well. NBG reported impressive first half results for 2024, showing a 27.0% increase in core profits compared to the same period last year.

In Argentina, our off-benchmark position in energy company, **Vista Energy** (+46.5%) was again among the top contributors at the company level, having success in developing the Vaca Muerta shale site in Argentina. Within the region, **Bancolombia** (+30.0%), was another strong performer.

Strong stock selection within Asia was also additive to returns over the period. The largest Islamic bank in Indonesia, **Bank Syariah** (+88.7%), was among the top performers in the region, after the company delivered strong profit growth in the first half of 2024 and demonstrated significant runway to gain share. More recently, the stock also gained momentum as concerns about the fiscal trajectory of the new government were mitigated by clarifications from the economic transition team. Another bank that did well was **Metrobank** (+55.3%) in the Philippines. Vietnamese technology services provider **FPT** (+68.1%), was another strong performer. The stock rallied on the news of a co-investment with Nvidia in a factory in Vietnam and has benefitted from artificial intelligence (AI) and the technology sector momentum more broadly. This is a business that is predominantly offering higher value add services such as digital transformation and cloud migration, and we recognise FPT's unique position as the only major technology outsourcing business in Vietnam. Another positive contributor was our holding in **Sea Ltd** (+52.2%), a Singapore based global consumer internet company, which rose on the back of strong second quarter results.

On the flipside, exposure to technology services company, **EPAM Systems** (-22.2%), weighed on performance amid weaker full year guidance. The company has indicated that it will take time for AI to impact its revenues. We continue to hold the stock as we believe the company should benefit from a potential resolution of the war in Ukraine, with a significant number of its employees in the region. Another detractor was the Hungarian low-cost carrier **Wizz Air Holdings** (-17.0%). The stock fell after cutting its earnings guidance. The company has been impacted by engine issues at its supplier Pratt & Whitney, resulting in grounded planes and higher leasing costs, as well as a weaker outlook for fares in the EMEA region. Philippines based resort and casino operator **Bloomberry** (-19.2%) also hurt performance. The stock traded down despite meaningful earnings improvement as its new property continues to ramp up.

Investment activity

We have reduced our overall exposure to Latin America. In Chile, we exited pulp and paper company **Empresas CMPC** on the back of relative performance. Pulp prices went up on supply disruptions and we believe the overall market will become increasingly oversupplied going forward. We also exited lithium producer **SQM** given concerns of over-supply in the lithium market. In Argentina, we became sceptical of President Milei's ability to successfully push through reforms and the monetary policies implemented seemed conflicted, therefore, we exited both **Vista Energy** and oil company **YPF**. The former has been a longstanding holding in the Company and had done exceptionally well. We continue to watch Argentina macro-economic reform as it unfolds and may revisit stocks depending on our findings.

We have added exposure to some of the smaller markets within our universe, including Bangladesh and Pakistan. In Bangladesh, we initiated a position in a commercial bank, **BRAC Bank**, reflecting our positive macro view on the country post the government change. We are also positive on the outlook for Pakistan more broadly and believe that the economy has likely bottomed out. As such, we initiated a position in **Lucky Cement**, which is one of Pakistan's largest conglomerates and lowest cost cement producer trading on x3 price-earnings multiple.

We have added to Turkey and initiated a position in Turkish commercial bank **Türkiye İş Bankası** on the view that disinflation is finally coming through. More recently, we also increased our exposure to Hungary by topping up our holding in **OTP Bank** as we believe the country should benefit from a resolution to the war between Russia and Ukraine.

Outlook

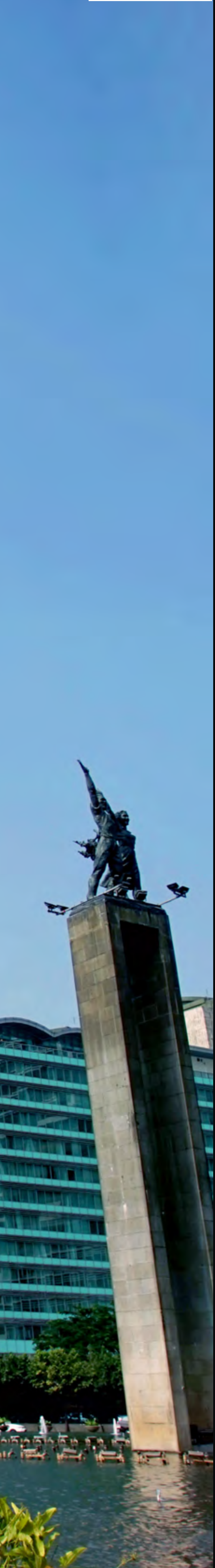
As higher global interest rates continue to feed through into the real economy, we expect some moderation of demand in developed markets. The commencement of the Fed's easing cycle should be a net positive for emerging market assets, particularly amid reassurance that the September 50 basis points rate cut was to preemptively manage slowing growth and labour dynamics in the US. We continue to see improving activity levels in some frontier and smaller emerging markets. With inflation falling across many countries within our universe, rate cuts have started to materialise. This is a good set up for domestically oriented economies to see a cyclical pick up.

We have initiated small positions in a number of countries where we have not been invested for some time, including Bangladesh, Egypt, Kenya and Pakistan. With a combination of COVID-19, inflation and high global interest rates, the past few years have been difficult for smaller countries that are reliant on borrowing externally to fund their growth. However, we believe that these countries, having been through a recession already, unlike the West, are now likely at the point where they start to see economic growth pick up. As per our macro process, we think that capturing these turning points can be very lucrative for investors.

Given this backdrop, we remain positive on the outlook for smaller emerging and frontier markets relative to developed markets and believe that the commencement of the Fed's easing cycle will allow for central banks within our universe to continue easing, which should be supportive of domestic activity levels. We find significant value in currencies and equity markets across our investment opportunity set, and we are particularly excited about the many opportunities we are seeing in some of the smaller markets. Our investment universe, in absolute and relative terms, also remains under-researched and we believe this should present compelling alpha opportunities.

SAM VECHT, EMILY FLETCHER AND SUDAIF NIAZ
BlackRock Investment Management (UK) Limited
4 December 2024


BCA



Portfolio

Bank Central Asia, the Indonesian commercial bank, was once again the largest holding in the portfolio at year end.

PHOTO COURTESY OF BANK CENTRAL ASIA

PHOTOS COURTESY OF OTP BANK, JSC KASPI, ELDORADO GOLD.

Ten largest investments[1]

as at 30 September 2024

Together, the Company's ten largest investments represented 35.0% of the Company's portfolio as at 30 September 2024 (2023: 32.2%).

1 ► Bank Central Asia (2023: 1st)

Financials (Indonesia)

Portfolio value: US$20,220,000
Percentage of net assets: 5.0% (2023: 4.6%)

Bank Central Asia is an Indonesian commercial bank headquartered in Jakarta. It is the largest private bank in the country, offering commercial banking and other financial services.

2 ▲ Emaar Properties (2023: 6th)

Real Estate (United Arab Emirates)

Portfolio value: US$17,927,000
Percentage of net assets: 4.4% (2023: 2.9%)

Emaar Properties is an Emirati real estate developer. The company is involved in property investment, development, shopping malls, retail centres, hospitality and property management services, and serves customers in the UAE.

3 ▼ Saudi National Bank Corporation[2] (2023: 2nd)

Financials (Saudi Arabia)

Portfolio value: US$16,088,000
Percentage of net assets: 4.0% (2023: 4.2%)

Saudi National Bank Corporation is a commercial bank based in Saudi Arabia. The bank offers current, savings, time, and other deposit accounts, auto leases, home financing, corporate loans, currency exchange, money transfer, asset management, share brokerage, initial public offering subscription, and private banking services.

4 ▲ OTP Bank (2023: 26th)

Financials (Hungary)

Portfolio value: US$14,477,000
Percentage of net assets: 3.6% (2023: 2.0%)

OTP Bank is the leading financial institution in Hungary, providing a wide range of retail, private, and commercial banking services. The bank offers savings and current accounts, personal and corporate loans, credit and debit cards, and investment products. OTP Bank is known for its innovative digital banking solutions and extensive network of branches and ATMs across Hungary.

5 ▲ FPT[2] (2023: 7th)

Information Technology (Vietnam)

Portfolio value: US$13,598,000
Percentage of net assets: 3.3% (2023: 2.8%)

FPT is Vietnam's largest information technology services company. The core business focuses on consulting, providing and deploying technology and telecommunications services and solutions.

Ten largest investments[1]

continued

6 ▲ CP All (2023: 8th)

Consumer Staples (Thailand)

Portfolio value: US$12,673,000
Percentage of net assets: 3.1% (2023: 2.8%)

CP All is a convenience store operator based in Thailand. It also operates wholesale business, retail business and mall, payment centres and related supporting services. The convenience stores are operated under the 7-Eleven trademark.

7 ▲ Etihad Etisalat[2] (2023: n/a)

Communication Services (Saudi Arabia)

Portfolio value: US$12,558,000
Percentage of net assets: 3.1% (2023: nil%)

Also known as Mobily, this is a Saudi Arabia-based telecommunications operator. The company manages, installs, and operates telephone networks, terminals, and telecommunication unit systems, as well as sells and maintains mobile phones and telecommunication units in Saudi Arabia.

8 ▼ JSC Kaspi (2023: 3rd)

Financials (Kazakhstan)

Portfolio value: US$12,443,000
Percentage of net assets: 3.1% (2023: 3.2%)

JSC Kaspi is the largest payments, marketplace and fintech ecosystem in Kazakhstan. The company has seen strong growth particularly in its marketplace and payments verticals. The company began as a bank but expanded into peer-to-peer payments and online marketplaces, particularly proving vital for businesses during the lockdowns of 2020. The company is working on expanding into other markets in Central Asia.

9 ▲ Bank Negara Indonesia (2023: n/a)

Financials (Indonesia)

Portfolio value: US$11,659,000
Percentage of net assets: 2.9% (2023: nil%)

Bank Negara Indonesia (BNI) is an Indonesian state-owned bank established in 1946. It provides a variety of financial services, including consumer banking, corporate banking, credit cards, investment banking, and mortgage loans. BNI has a significant presence in Indonesia and operates branches in several international locations, including London, New York, and Tokyo.

10 ▲ Eldorado Gold (2023: 23rd)

Materials (Turkey)

Portfolio value: US$10,021,000
Percentage of net assets: 2.5% (2023: 2.0%)

Eldorado Gold is a Canadian mid-tier gold and base metals producer with over 30 years of experience in building and operating mines. The company has mining, development, and exploration operations in Turkey, Canada, and Greece.

[1] Gross market exposure as a % of net assets.
[2] Exposure gained via contracts for difference (CFDs) only.

Percentages shown are the share of net assets.

The market value shown is the gross exposure to the shares through equity investments and long derivative positions. For equity investments, the market value is the fair value of the shares. For long derivative positions, it is the market value of the underlying shares to which the portfolio is exposed via the contract.

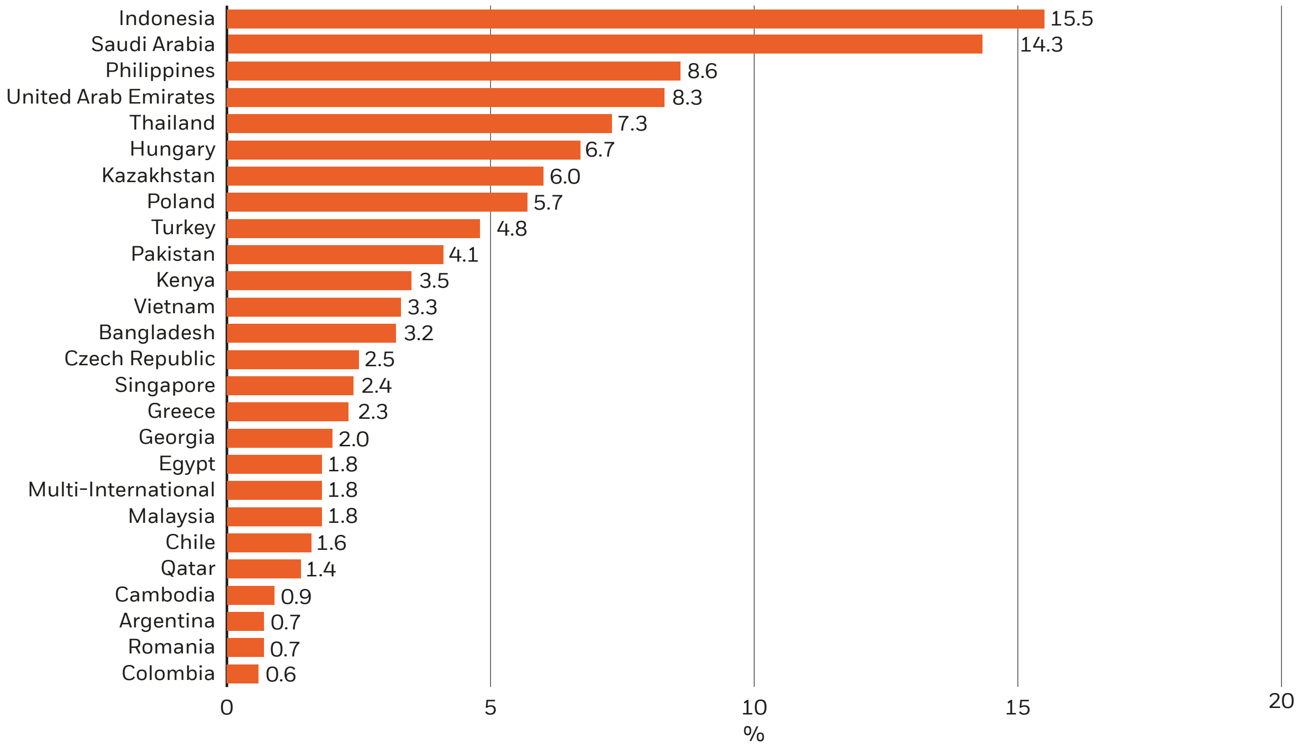
Percentages in brackets represent the portfolio holding as at 30 September 2023.

Arrows indicate the change in the relative ranking of the position in the portfolio compared to its ranking as at 30 September 2023.

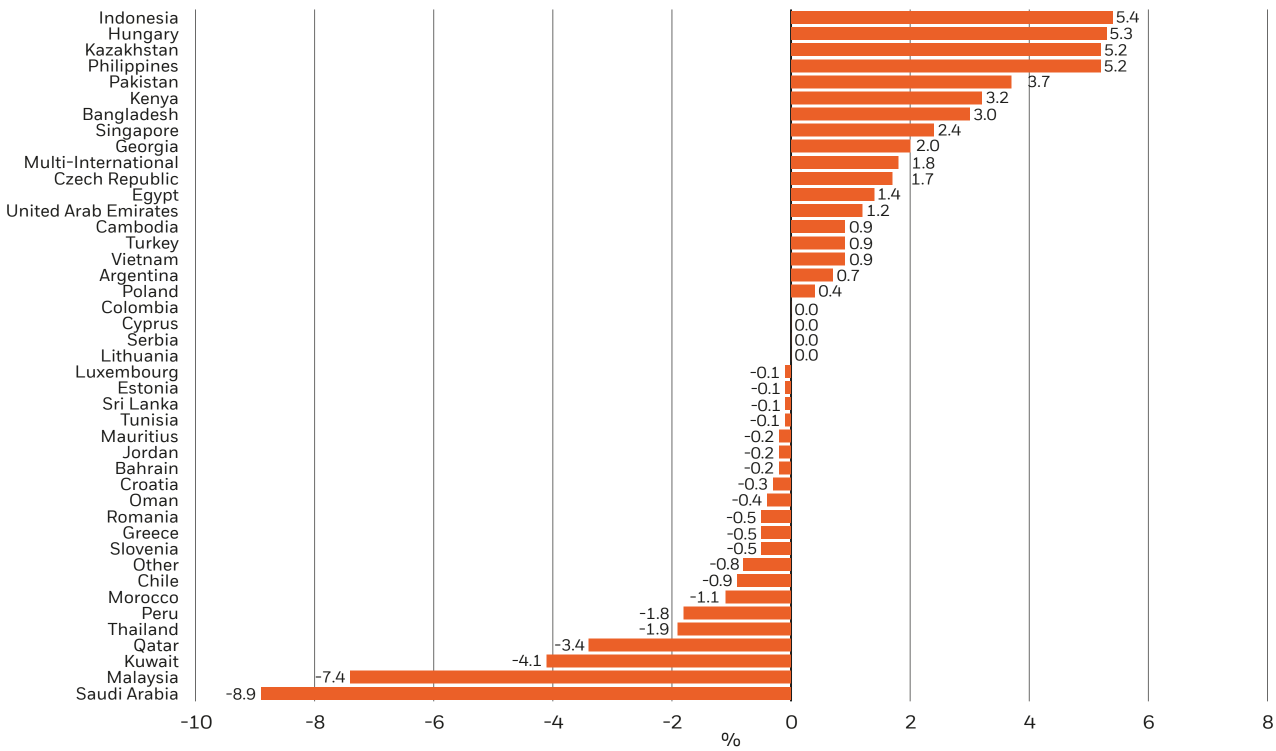
Portfolio analysis

as at 30 September 2024

Country allocation: Absolute weights (Gross market exposure as a % of net assets)[1]



Country allocation relative to the Benchmark Index (%)[1]

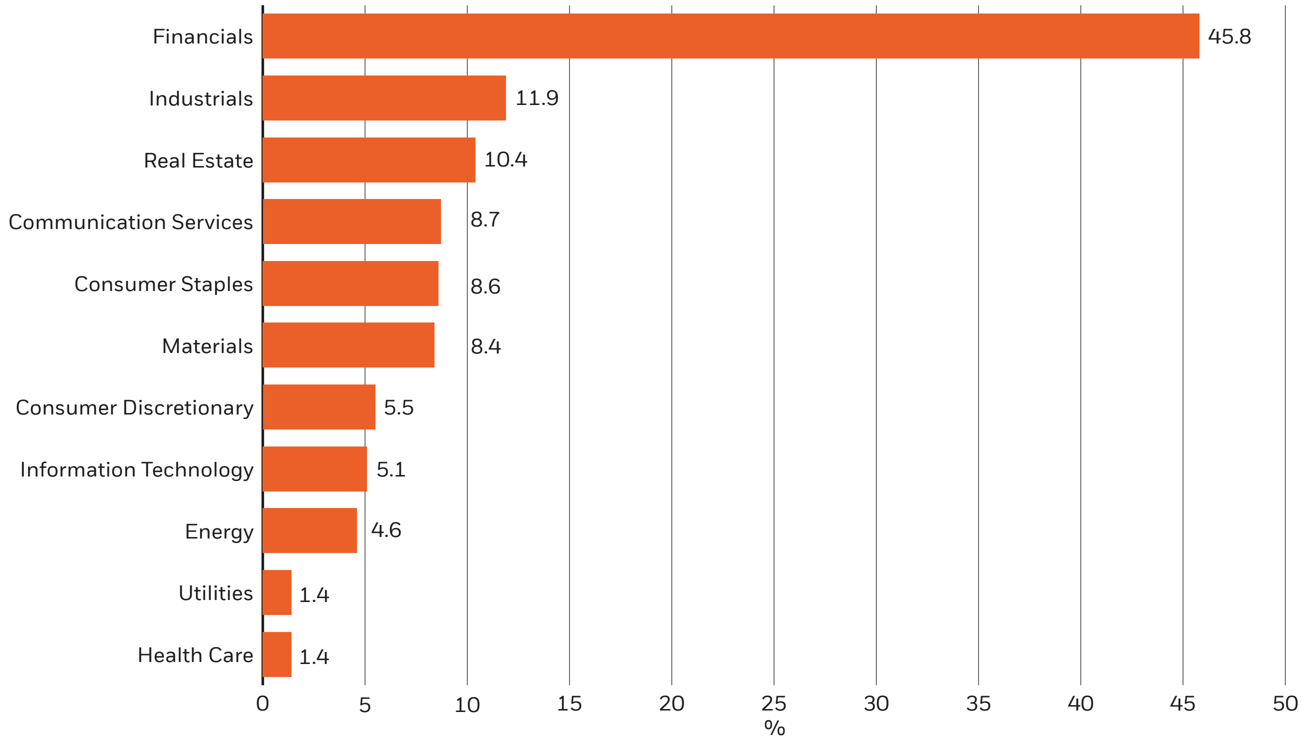


[1] Includes exposure gained through equity positions and long and short CFD positions.
Sources: BlackRock and LSEG Datastream.

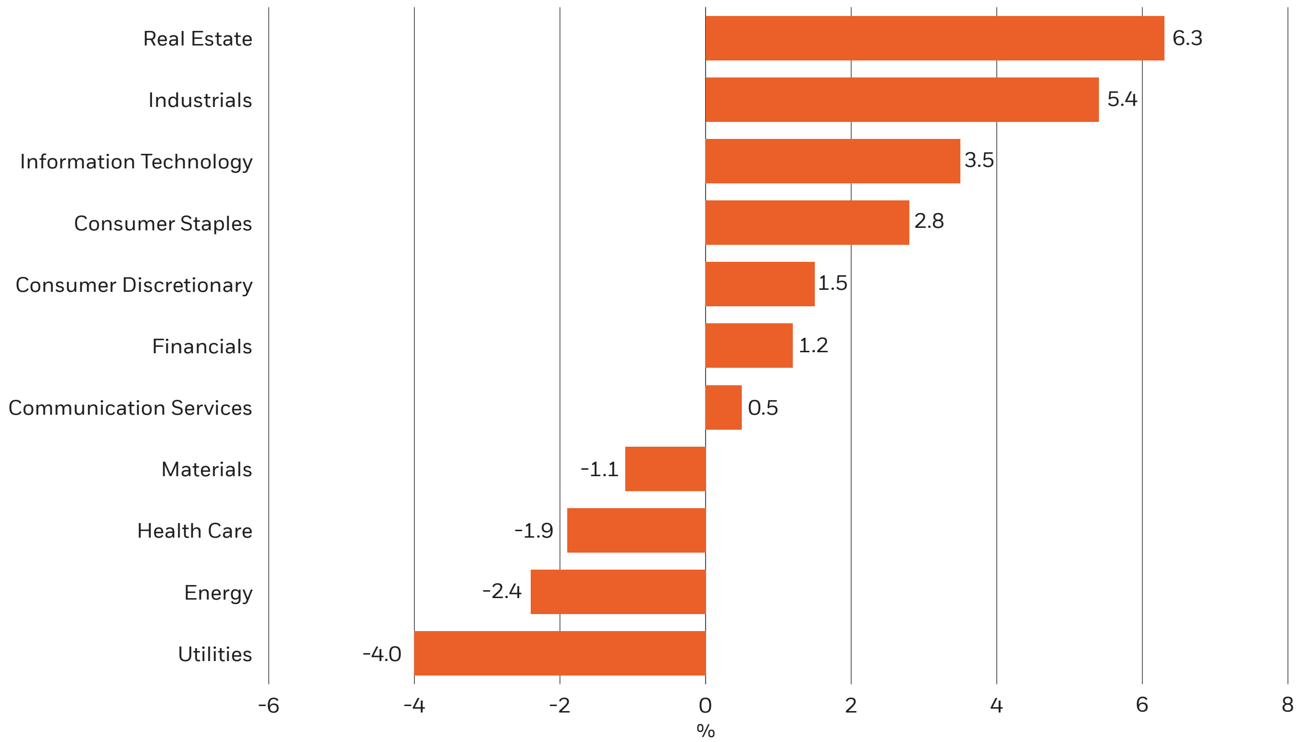
Portfolio analysis

continued

Sector allocation: Absolute weights (Gross market exposure as a % of net assets)[1]



Sector allocation relative to the Benchmark Index (%)[1]



[1] Includes exposure gained through equity positions and long and short CFD positions.
Sources: BlackRock and LSEG Datastream.

Investments

as at 30 September 2024

Equity portfolio by country of exposure

Company	Principal country of operation	Sector	Fair value[1] US$'000	Gross market exposure as a % of net assets[3]
Bank Central Asia	Indonesia	Financials	20,220	5.0
Bank Negara Indonesia	Indonesia	Financials	11,659	2.9
Ciputra Development	Indonesia	Real Estate	9,805	2.4
Astra International	Indonesia	Industrials	9,266	2.3
Bank Syariah	Indonesia	Financials	6,709	1.6
Mitra Adiperkasa	Indonesia	Consumer Discretionary	5,389	1.3
			63,048	**15.5**
Ayala Land	Philippines	Real Estate	9,426	2.3
Metrobank	Philippines	Financials	9,096	2.2
Bloomberry	Philippines	Consumer Discretionary	8,337	2.1
International Container Terminal Services	Philippines	Industrials	6,756	1.7
DigiPlus Interactive Corp	Philippines	Consumer Discretionary	1,393	0.3
			35,008	**8.6**
Emaar Properties	United Arab Emirates	Real Estate	17,927	4.4
Air Arabia	United Arab Emirates	Industrials	6,474	1.6
Aldar Properties	United Arab Emirates	Real Estate	2,804	0.7
			27,205	**6.7**
OTP Bank	Hungary	Financials	14,477	3.6
Wizz Air Holdings	Hungary	Industrials	7,177	1.7
MOL Group	Hungary	Energy	3,591	0.9
			25,245	**6.2**
CP All	Thailand	Consumer Staples	12,673	3.1
Advanced Info Service	Thailand	Communication Services	9,802	2.4
AMATA Corporation	Thailand	Real Estate	2,105	0.6
			24,580	**6.1**
JSC Kaspi	Kazakhstan	Financials	12,443	3.1
Kazatomprom	Kazakhstan	Energy	7,026	1.7
Halyk Savings Bank	Kazakhstan	Financials	4,769	1.2
			24,238	**6.0**
Eldorado Gold	Turkey	Materials	10,021	2.5
Türkiye İş Bankası	Turkey	Financials	9,467	2.3
			19,488	**4.8**
MCB Bank	Pakistan	Financials	8,392	2.1
Lucky Cement	Pakistan	Materials	8,223	2.0
			16,615	**4.1**
Equity Group	Kenya	Financials	5,994	1.5
Kenya Commercial Bank	Kenya	Financials	5,067	1.2
Safaricom	Kenya	Communication Services	3,095	0.8
			14,156	**3.5**

Investments

continued

Company	Principal country of operation	Sector	Fair value[1] US$'000	Gross market exposure as a % of net assets[3]
PZU	Poland	Financials	9,181	2.3
LPP	Poland	Consumer Discretionary	3,877	0.9
			13,058	**3.2**
BRAC Bank	Bangladesh	Financials	7,443	1.8
Square Pharmaceuticals	Bangladesh	Health Care	5,567	1.4
			13,010	**3.2**
Sea Ltd	Singapore	Communication Services	9,697	2.4
			9,697	**2.4**
Athens International Airport	Greece	Industrials	9,428	2.3
			9,428	**2.3**
Bank of Georgia	Georgia	Financials	8,302	2.0
			8,302	**2.0**
Moneta Money Bank	Czech Republic	Financials	7,744	1.9
			7,744	**1.9**
EPAM Systems	Multi-International	Information Technology	7,304	1.8
			7,304	**1.8**
Frontken Corp	Malaysia	Industrials	7,161	1.8
			7,161	**1.8**
Cervecerias Unidas	Chile	Consumer Staples	6,624	1.6
			6,624	**1.6**
NagaCorp	Cambodia	Consumer Discretionary	3,770	0.9
			3,770	**0.9**
Banca Transilvania	Romania	Financials	2,981	0.7
			2,981	**0.7**
Commercial International Bank	Egypt	Financials	2,841	0.7
			2,841	**0.7**
Bancolombia	Colombia	Financials	2,246	0.6
			2,246	**0.6**
Equity investments			**343,749**	**84.6**
BlackRock's Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund (Cash Fund)[1]			68,559	16.9
Total equity investments (including Cash Fund)			**412,308**	**101.5**

[1] See note 1 on page 26.

CFD portfolio by country of exposure

Company	Principal country of operation	Sector	Fair value[1] US$'000	Gross market exposure[3] US$'000	Gross market exposure as a % of net assets[3]
Long positions					
Saudi National Bank Corporation	Saudi Arabia	Financials		16,088	4.0
Etihad Etisalat	Saudi Arabia	Communication Services		12,558	3.1
Yanbu National Petrochemical	Saudi Arabia	Materials		9,346	2.3
Al Rajhi Bank	Saudi Arabia	Financials		8,719	2.1
Abdullah Al Othaim Markets	Saudi Arabia	Consumer Staples		5,666	1.4
				52,377	**12.9**
FPT	Vietnam	Information Technology		13,598	3.3
				13,598	**3.3**
Jeronimo Martins	Poland	Consumer Staples		9,931	2.5
				9,931	**2.5**
Borouge	United Arab Emirates	Materials		6,671	1.6
				6,671	**1.6**
Gulf International Services	Qatar	Energy		5,629	1.4
				5,629	**1.4**
Commercial International Bank	Egypt	Financials		4,387	1.1
				4,387	**1.1**
Wizz Air Holdings	Hungary	Industrials		2,022	0.5
				2,022	**0.5**
Total long CFD positions			**2,174**	**94,615**	**23.3**
Total short CFD positions			**(979)**	**(15,916)**	**(3.9)**
Total CFD portfolio			**1,195**	**78,699**	**19.4**

Fair value and gross market exposure of investments

as at 30 September 2024

Portfolio	Fair value[3] US$'000	Gross market exposure[4,5] US$'000	Gross market exposure as a % of net assets[5] 2024	2023
Long equity investment positions (excluding BlackRock's Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund)	343,749	343,749	84.6	85.2
Long CFD positions	2,174	94,615	23.3	29.8
Short CFD positions	(979)	(15,916)	(3.9)	(3.0)
Subtotal of long and short investment positions	**344,944**	**422,448**	**104.0**	**112.0**
Cash Fund	68,559	68,559	16.9	17.8
Total investment and derivatives	**413,503**	**491,007**	**120.9**	**129.8**
Cash and cash equivalents	2,284	(75,220)	(18.6)	(25.9)
Other net current liabilities	(9,525)	(9,525)	(2.3)	(3.9)
Non-current liabilities	(19)	(19)	0.0	0.0
Net assets	**406,243**	**406,243**	**100.0**	**100.0**

1 The nature of the Company's portfolio and the fact the Company gains significant exposure to a number of markets through long and short CFDs means that the Company will aim to hold a level of cash (or an equivalent holding in a Cash Fund) on its balance sheet representing the difference between the notional cost of purchasing or selling the investments directly and the lower initial cost of making a collateral payment on the long or short CFD contract.

2 The Company was geared through the use of long and short CFD positions and gross and net gearing as at 30 September 2024 was 11.8% and 4.0% respectively (30 September 2023: 17.9% and 12.0% respectively). Gross and net gearing are Alternative Performance Measures, see Glossary on pages 130 to 134.

3 Fair value is determined as follows:

– Long equity investment positions are valued at bid prices where available, otherwise at latest market traded quoted prices.
– The exposure to securities held through long CFD positions directly in the market would have amounted to US$92,441,000 at the time of purchase, and subsequent movement in market prices have resulted in unrealised gains on the long CFD positions of US$2,174,000 resulting in the value of the total long CFD market exposure to the underlying securities increasing to US$94,615,000 as at 30 September 2024. If the long positions had been closed on 30 September 2024, this would have resulted in a gain of US$2,174,000 for the Company.
– The notional exposure of selling the securities gained via the short CFD positions would have been US$14,937,000 at the time of entering into the contract, and subsequent movement in market prices have resulted in unrealised losses on the short CFD positions of US$979,000 resulting in the value of the total short CFD market exposure of these investments increasing to US$15,916,000 at 30 September 2024. If the short positions had been closed on 30 September 2024, this would have resulted in a loss of US$979,000 for the Company.

4 The gross market exposure column for cash and cash equivalents has been adjusted to assume the Company traded direct holdings rather than exposure being gained through long and short CFDs.

5 Gross market exposure for equity investments is the same as fair value; bid prices are used where available and, if unavailable, latest market traded quoted prices are used. For both long and short CFD positions, the gross market exposure is the market value of the underlying shares to which the portfolio is exposed via the contract.

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Governance

National Bank of Greece was a notable contributor to performance, reporting a 27% increase in core profits year-on-year for the first half of 2024.

PHOTO COURTESY OF NATIONAL BANK OF GREECE

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Governance structure

Responsibility for good governance lies with the Board. The governance framework of the Company reflects the fact that as an investment company it has no employees and outsources investment management and administration to the Manager and other external service providers.

The Board
Five scheduled meetings per annum

Five non-executive Directors (NEDs), all independent of the Manager

Chair: Katrina Hart

Objectives:
- To determine the Company's strategy, including investment policy and investment guidelines;
- To provide leadership within a framework of prudent and effective controls which enable risk to be assessed and managed and the Company's assets to be safeguarded; and
- To challenge constructively and to scrutinise performance of all outsourced activities.

Other functions:
- To carry out the duties of a Nomination Committee, including a regular review of the Board's structure and composition, making recommendations for any new Board appointments and reviewing the Directors' conflicts of interest; and
- To determine the Company's remuneration policy.

Audit and Management Engagement Committee[1]
Two scheduled meetings per annum

Chairman: Stephen White

Membership: All NEDs

Key objectives:
- To oversee financial reporting;
- To consider the adequacy of the control environment;
- To review the performance of the Manager;
- To review and form an opinion on the effectiveness of the external audit process; and
- To review other service providers.

[1] Terms of reference for the committee are available at www.blackrock.com/uk/brfi.

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Directors' biographies

Katrina Hart
Chair (with effect from 6 February 2024)
(Appointed 1 October 2019)

Currently a non-executive director of Keystone Positive Change Investment Trust plc (where she is also the Senior Independent Director), AEW UK REIT plc, Montanaro Asset Management Limited and Chair of JP Morgan UK Small Cap Growth and Income plc. She was formerly a non-executive director of Premier Miton Group plc and Polar Capital Global Financials Trust plc. Mrs Hart spent her executive career in investment banking, advising, analysing and commentating on a broad range of businesses. Initially working in corporate finance at ING Barings and Hawkpoint Partners, she then moved into equities research at HSBC, covering the General Financials sector. Latterly, Mrs Hart headed up the Financials research teams at Bridgewell Group plc and Canaccord Genuity, specialising in wealth and asset managers.

Attendance record:
Board: 4/4
Audit and Management Engagement Committee: 2/2

Shareholding as at 4 December 2024: 48,560

Stephen White
Audit and Management Engagement Committee Chairman (with effect from 22 November 2016)
(Appointed 13 July 2016)

Currently a non-executive Director of Polar Capital Technology Trust plc and Chairman of Brown Advisory US Smaller Companies plc. He was formerly a non-executive director of Henderson Eurotrust plc, Aberdeen New India Investment Trust plc, JP Morgan European Discovery Trust plc, Global Special Opportunities Trust plc, Head of European and US Equities at British Steel Pension Fund, Head of European Equities at F&C Investment Management, Manager of F&C Eurotrust plc and Deputy Manager of the F&C Investment Trust plc. Prior to joining F&C in 1985, he held positions at Hill Samuel Asset Management, Phillips & Drew and PriceWaterhouse. He is a Chartered Accountant.

Attendance record:
Board: 4/4
Audit and Management Engagement Committee: 2/2

Shareholding as at 4 December 2024: 30,000

None of the Directors has a service contract with the Company. The terms of their appointment are detailed in a letter sent to them when they join the Board. These letters are available for inspection at the registered office of the Company and will be available at the AGM.

Directors' biographies
continued

Elisabeth Airey
Senior Independent Director (with effect from 6 February 2024)
(Appointed on 10 December 2021)

Currently Chairman of abrdn UK Smaller Companies Growth Trust plc, Chairman of Rolls-Royce UK Pension Fund Trustees Limited, a non-executive Director of Kirk Lovegrove & Company Limited, a member of the advisory board of Ownership Capital and a member of the Investments Committee of the Royal Horticultural Society. Previously she was non-executive Chairman of Jupiter Fund Management plc, a non-executive Director of Tate & Lyle plc, a non-executive Director of Dunedin Enterprise Investment Trust plc and a member of the Investment Committee of the Institute of Chartered Accountants in England and Wales. In her executive career she was Finance Director of Monument Oil and Gas plc, a post she held from 1990 until the sale of the company to Lasmo plc in 1999.

Attendance record:
Board: 4/4
Audit and Management Engagement Committee: 2/2

Shareholding as at 4 December 2024: 75,000

Lucy Taylor-Smith
(Appointed on 10 December 2021)

Previously Global Head of Strategy with Standard Chartered Bank based in Singapore. Prior to this, she was Chief Strategy Officer and a member of the Executive Committee at Manulife Asia, and Chairman of Manulife Singapore, as well as Chief Strategy Officer and Board Director for Prudential Corporation Asia. She also spent 13 years with UBS advising companies on a wide range of strategic initiatives and corporate transactions encompassing mergers and acquisitions, equity and debt capital markets deals, culminating in her position as Executive Director of Corporate Broking.

Attendance record:
Board: 4/4
Audit and Management Engagement Committee: 2/2

Shareholding as at 4 December 2024: 30,852

Hatem Dowidar
Director
(Appointed 7 February 2024)

Currently the Group CEO of e& and also holds roles as a non-executive Director of Vodafone Group, Etihad Etisalat Company (Mobily), Maroc Telecom & Etisalat Egypt. Previously, he worked for Vodafone, Procter and Gamble as well as Daimler Benz Group in various roles. He is a member of international forums such as the board of the GSM Association and the leadership panel of the United Nations Internet Governance Forum (IGF). His academic background includes a Bachelor's in Communications and Electronics Engineering and an MBA.

Attendance record:
Board: 2/2[1]
Audit and Management Engagement Committee: N/a[1]

Shareholding as at 4 December 2024: 25,000

[1] Hatem Dowidar attended all Board meetings and Audit and Management Engagement Committee meetings following his appointment on 7 February 2024.

Strategic report

The Directors present the Strategic Report of the Company for the year ended 30 September 2024.

Principal activity

The Company carries on business as an investment trust and its principal activity is portfolio investment.

Investment objective

The Company's investment objective is to achieve long-term capital growth by investing in companies domiciled or listed in or exercising the predominant part of their economic activity in, less developed countries. These countries (the "Frontiers Universe") are any country which is neither part of the MSCI World Index of developed markets, nor one of the eight largest countries by market capitalisation in the MSCI Emerging Markets Index: being Brazil, China, India, South Korea, Mexico, Russia, South Africa and Taiwan (the "Selected Countries").

Strategy, business model and investment policy

Strategy

To achieve its objective, the Company invests globally in the securities of companies domiciled or listed in or exercising the predominant part of their economic activity in, the Frontiers Universe.

Business model

The Company's business model follows that of an externally managed investment trust; therefore the Company does not have any employees and outsources its activities to third party service providers, including BlackRock Fund Managers Ltd (BlackRock or BFM) ('the Manager') which is the principal service provider.

The management of the investment portfolio and the administration of the Company have been contractually delegated to the Manager. The Manager has delegated certain investment management and other ancillary services to BlackRock Investment Management (UK) Limited (BIM (UK)) ('the Investment Manager'). The contractual arrangements with, and assessment of, the Manager are summarised on page 51. The Investment Manager, operating under guidelines determined by the Board, has direct responsibility for the decisions relating to the day-to-day running of the Company and is accountable to the Board for the investment, financial and operating performance of the Company. Other service providers include the Depositary and the Fund Accountant, The Bank of New York Mellon (International) Limited (BNY), and the Registrar, Computershare Investor Services PLC (Computershare). Details of the contractual terms with third party service providers are set out in the Directors' Report.

Investment policy

The Company will seek to maximise total return and will invest globally in the securities of companies domiciled or listed in or exercising the predominant part of their economic activity in, the Frontiers Universe. Performance is measured against the Company's Benchmark Index, which is a composite of the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets Index (net total return, USD). The Investment Manager is not constrained by the geographical weightings of the Benchmark Index and the Company's portfolio may frequently be overweight or underweight any particular country relative to the Benchmark Index. The Company will exit any investment as soon as reasonably practicable following the relevant company ceasing to be domiciled or listed in or exercising the predominant part of its economic activity in, the Frontiers Universe.

In order to achieve the Company's investment objective, the Investment Manager selects investments through a process of fundamental and geopolitical analysis, seeking long-term appreciation from mispriced value or growth. The Investment Manager employs both a top-down and bottom-up approach to investing. It is expected that the Company will have exposure to between 35 to 65 holdings.

Where possible, investment will generally be made directly in the stock markets of the Frontiers Universe. Where the Investment Manager determines it appropriate, investment may be made through collective investment schemes, although such investments are not likely to be significant. Investment in other closed-ended investment funds admitted to the Official List will not exceed more than 10%, in aggregate, of the value of the Gross Assets (calculated at the time of any relevant investment). It is intended that the Company will generally be invested in equity investments; however, the Investment Manager has the ability to invest in equity-related investments, such as derivatives or convertibles, and, to a lesser extent, in bonds or other fixed-income securities, including high risk debt securities. These securities may be below investment grade.

Due to national and/or international regulation, excessive operational risk, prohibitive costs and/or the time period involved in establishing trading and custody accounts in certain countries in the Frontiers Universe, the Company may be unable to invest (whether directly or through nominees) in companies in certain countries in the Frontiers Universe or, in the opinion of the Company and/or the Investment Manager, it may not be advisable to do so. In such circumstances, or in countries where acceptable custodial and other arrangements are not in place to safeguard the Company's investments, the Company intends to gain economic exposure to companies in such countries by investing indirectly through derivatives. Derivatives are financial instruments linked to the performance of another asset or security, such as promissory notes, contracts for difference, futures or traded options. Save as provided below, there is no restriction on the Company investing in derivatives in such circumstances or for efficient portfolio management purposes.

The Company may be geared through borrowings and/or by entering into derivative transactions (taking both long and short positions) that have the effect of gearing the Company's portfolio to enhance performance. The Company may also use borrowings for the settlement of transactions, to facilitate share repurchases (where applicable) and to meet on-going expenses.

The respective limits on gearing (whether through the use of derivatives, borrowings or a combination of both) are set out below:

- Maximum gearing through the use of derivatives or borrowings to gain exposure to long positions in securities: 140% of net assets
- Maximum exposure to short positions (for shorting purposes the Company may use indices or individual stocks): 10% of net assets
- Maximum gross exposure (total long exposure plus total short exposure): 150% of net assets
- Maximum net exposure (total long exposure minus total short exposure): 130% of net assets

In normal circumstances, the Company will typically have net exposure of between 95% and 120% of net assets.

When investing via derivatives, the Company will seek to mitigate and/or spread its counterparty risk exposure by collateralisation and/or contracting with a potential range of counterparty banks, as appropriate, each of which shall, at the time of entering into such derivatives, have a Standard & Poor's credit rating of at least A- on its long-term senior unsecured debt.

The Company may invest up to 5% of its Gross Assets (at the time of such investment) in unquoted securities. The Company will invest so as not to hold more than 15% of its Gross Assets in any one stock or derivative position at the time of investment (excluding cash management activities).

No material change will be made to the investment policy without the approval of shareholders by ordinary resolution.

A detailed analysis of the Company's portfolio has been provided on pages 19 to 26.

Investment approach and process

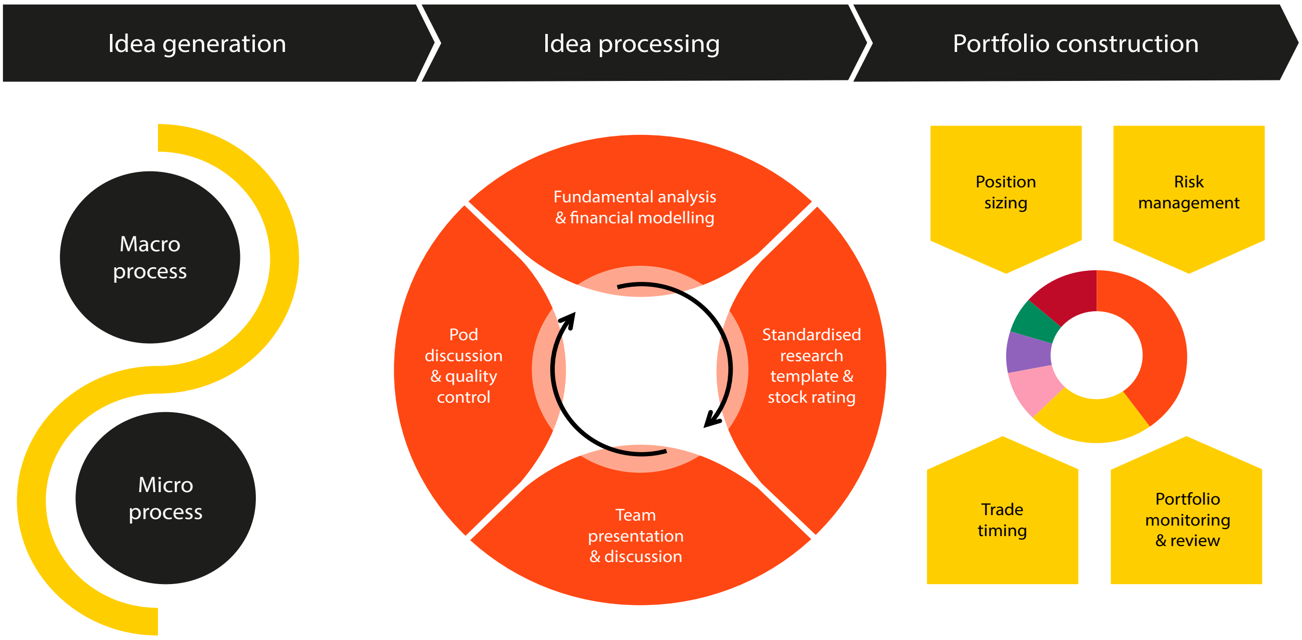
Portfolio construction is a continuous process, with the Investment Manager analysing constantly the impact of new ideas and information on the portfolio as a whole. The approach is flexible, varying through market and economic cycles to create a portfolio appropriate to the focused and unconstrained strategy of the Company. The macro environment is factored into all portfolio decisions. In general, macro analysis is a more dominant factor in investment decision-making when the outlook is negative. The macro process is comprised of three parts: political assessment, macroeconomic analysis and appraisal of the valuation of a country's market, which can only take place with thorough analysis of stock specific opportunities.

The Investment Manager's research team generates ideas from a diverse range of sources. When permitted, these include frequent travel to the markets in which the Company invests and regular conversations with contacts that allow the Frontiers team to assess the entire eco system around a company, namely competitors, suppliers, financiers, customers and regulators. The team leverages the internal research network, sharing information between BlackRock's investment teams using a proprietary research application and database and develops insights from macroeconomic analysis. The Board believes that BlackRock's research platform is a significant competitive advantage, both in terms of information specific to emerging and frontier market equities and through its global insights across asset classes. Access to companies is extremely good given BlackRock's market presence, which makes it possible to develop a detailed knowledge of a company and its management.

The research process focuses on cash flow and future earnings growth, as the investment team believes that this is ultimately the driver of share prices over time. The process is designed with the aim of identifying companies that can translate top line revenue growth to free cash flow and investing in these companies when the analysis suggests that the cash flow stream is

Strategic report
continued

undervalued. Financial models are developed focusing on company financials, particularly cash flow statements, rather than relying on third party research.



Risk-aware portfolios built from a structured research framework

Performance
Details of the Company's performance for the year are given in the Chair's Statement on pages 5 to 9. The Investment Manager's Report on pages 11 to 15 includes a review of the main developments during the period, together with information on investment activity within the Company's portfolio.

Results and dividends
The results for the Company are set out in the Statement of Comprehensive Income on page 87. The total profit for the year, after taxation, was US$58,548,000 (2023: US$74,856,000) of which the revenue return amounted to US$18,884,000 (2023: US$15,872,000) and the capital profit amounted to US$39,664,000 (2023: US$58,984,000).

The Directors are recommending the payment of a final dividend of 6.00 cents per ordinary share in respect of the year ended 30 September 2024 (2023: final dividend of 4.90 cents) as set out in the Chair's Statement on page 5.

Future prospects
The Board's main focus is on the achievement of capital growth and the future of the Company is dependent upon the success of the investment strategy. The outlook for the Company is discussed in both the Chair's Statement on pages 5 to 9 and in the Investment Manager's Report on pages 11 to 15.

Social, community and human rights issues
As an investment trust, the Company has no direct social or community responsibilities or impact on the environment and the Company has not adopted an ESG investment strategy. However, the Company believes that it is in shareholders' interests to consider environmental, social and governance factors and human rights issues when selecting and retaining investments. Details of the Company's approach to ESG integration and socially responsible investment is set out on page 48.

Modern slavery
As an investment vehicle the Company does not provide goods or services in the normal course of business and does not have customers. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015. In any event, the Board considers the Company's supply chain, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

Directors, gender representation and employees

The Directors of the Company on 30 September 2024 are set out in the Directors' biographies section on pages 31 to 33. As at 4 December 2024, the Board consisted of two men and three women constituting 60% female Board representation. The Company does not have any employees.

Key performance indicators

The Directors consider a number of performance measures to assess the Company's success in achieving its objectives. The key performance indicators (KPIs) used to measure the progress and performance of the Company over time and which are comparable to those reported by other investment trusts are set out below.

Performance

At each meeting the Board reviews the performance of the portfolio as well as the net asset value and share price for the Company and compares this to the return of the Company's benchmark. The Board considers this to be an important key performance indicator and has determined that it should also be used to calculate whether a performance fee is payable to BlackRock. The Company's absolute and relative performance is set out in the performance record table on page 4.

The Board regularly reviews a number of indices and ratios to understand the impact on the Company's relative performance of the various components such as asset allocation and stock selection. The Board also reviews the performance of the Company against a peer group of frontier market focused open and closed-ended funds.

Share rating and discount/premium

The Directors recognise the importance to investors that the Company's share price should not trade at a significant discount or premium to NAV. Accordingly, the Directors monitor the share rating closely and will consider share repurchases in the market if the discount widens significantly, or the issue of shares to the market to meet demand to the extent that the Company's shares are trading at a premium. In addition, in accordance with the Directors' commitment at launch the Company will formulate and submit to shareholders proposals to provide them with an opportunity at each five year anniversary since launch to realise the value of their ordinary shares at the prevailing NAV per share less applicable costs. Such an opportunity took place in the year ended 30 September 2021. The next opportunity will take place in early 2026.

For the year under review the Company's shares traded at an average discount to the cum-income NAV of 8.5% and were trading at a discount of 9.1% on a cum-income basis at 2 December 2024. The Directors have the authority to buy back up to 14.99% of the Company's issued share capital (excluding treasury shares). The Directors sought and received shareholder authority at the last AGM to issue up to 10% of the Company's issued share capital (via the issue of new shares or sale of shares from treasury) on a non pre-emptive basis. Further information can be found in the Directors' Report on pages 54 and 55.

Ongoing charges

The ongoing charges reflect those expenses which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company, excluding the costs of acquisition or disposal of investments, financing charges and gains or losses arising on investments and performance fees. The ongoing charges are based on actual costs incurred in the year as being the best estimate of future costs. The Board reviews the ongoing charges and monitors the expenses incurred by the Company.

The table below sets out the key KPIs for the Company (see Glossary on pages 130 to 134).

	Year ended 30 September 2024[1]		Year ended 30 September 2023[1]	
	£%	**US$%**	**£%**	**US$%**
Net asset value total return[2]	+6.0	+16.5	+14.3	+25.1
Share price total return[3]	+5.4	+15.8	+17.7	+28.8
Benchmark Index return[4]	+5.3	+15.7	-3.9	+5.0
Discount to cum income NAV		9.4		8.5
Ongoing charges[5]		1.41		1.38
Ongoing charges including performance fees[6]		2.33		3.78

1 Based on an exchange rate of US$1.3414 to £1 at 30 September 2024 and US$1.2206 to £1 at 30 September 2023.

2 Calculated with dividends reinvested.

3 Calculated on a mid to mid basis with dividends reinvested.

4 The Benchmark Index is a composite of the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets Index. Benchmark Index return calculates the reinvestment of dividends net of withholding taxes.

Strategic report

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[5] Ongoing charges represent the management fee and all other operating expenses, excluding performance fees, finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items, as a % of average daily net assets.
[6] Ongoing charges represent the management fee and all other operating expenses, including performance fees, but excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items, as a % of average daily net assets.

Principal risks

As required by the 2018 UK Code of Corporate Governance, the Board has in place a robust, ongoing process to identify, assess and monitor the principal and emerging risks of the Company, including those that they consider would threaten its business model, future performance, solvency or liquidity. Emerging risks are considered by the Board as they come into view and are incorporated into the Company's risk register where applicable. Additionally, the Manager considers emerging risks in numerous forums and the Risk and Quantitative Analysis team produces an annual risk survey. Any material risks of relevance to the Company identified through the annual risk survey will be communicated to the Board.

A core element of this is the Company's risk register, which identifies the risks facing the Company and assesses the likelihood and potential impact of each risk, and the quality of the controls operating to mitigate the risk. A residual risk rating is then calculated for each risk based on the outcome of this assessment. This approach allows the effect of any mitigating procedures to be reflected in the final assessment.

The risk register, its method of preparation and the operation of the key controls in BlackRock's and other third party service providers' systems of internal control are reviewed on a regular basis by the Company's Audit and Management Engagement Committee. In order to gain a more comprehensive understanding of BlackRock's and other third party service providers' risk management processes and how these apply to the Company's business, the Audit and Management Engagement Committee periodically receives presentations from BlackRock's Internal Audit and Risk & Quantitative Analysis teams, and reviews Service Organisation Control (SOC 1) reports from BlackRock and the Company's Custodian and Fund Accountant, The Bank of New York Mellon (International) Limited (BNY).

The current risk register includes a range of risks spread between performance risk, income/dividend risk, legal and regulatory risk, counterparty risk, operational risk, market risk, political risk and financial risk.

The principal risks and uncertainties faced by the Company during the year, together with the potential effects, controls and mitigating factors, are set out on pages 38 to 42.

Investment Performance Risk

Principal risk

The Board is responsible for:

- setting the investment policy to fulfil the Company's objectives; and
- monitoring the performance of the Company's Investment Manager and the strategy adopted.

An inappropriate policy or strategy may lead to:

- poor performance compared to the Company's benchmark peer group or shareholder expectations;
- a widening discount to NAV;
- a reduction or permanent loss of capital; and
- dissatisfied shareholders and reputational damage.

The Board is also cognisant of the long-term risk to performance from inadequate attention to environmental, social and governance (ESG) issues and in particular the impact of climate change.

Mitigation/Control

To manage this risk the Board:

- regularly reviews the Company's investment mandate and long-term strategy;
- has set, and regularly reviews, the investment guidelines and has put in place appropriate limits on levels of gearing and the use of derivatives;
- receives from the Investment Manager a regular explanation of stock selection decisions, portfolio gearing and any changes in gearing and the rationale for the composition of the investment portfolio;
- receives from the Investment Manager regular reporting on the portfolio's exposure through derivatives, including the extent to which the portfolio is geared in this manner and the value of any short positions;
- monitors the maintenance of an adequate spread of investments in order to minimise the risks associated with particular countries or factors specific to particular sectors, based on the diversification requirements inherent in the Company's investment policy;
- regularly reviews detailed performance attribution analysis; and
- monitors ESG factors in the portfolio and engagement with investee companies on ESG issues.

Income/Dividend Risk

Principal risk

The quantum of dividends and future dividend growth will depend on the income generated by the Company's underlying portfolio. In addition, any change in the tax treatment of the dividends or interest received by the Company (including as a result of withholding taxes or exchange controls imposed by jurisdictions in which the Company invests) may reduce the level of dividends received by shareholders.

Mitigation/Control

Although the Company does not have a policy of actively seeking income, the Board monitors this risk through the receipt of detailed income forecasts and considers the level of income at each meeting. The Company also has a revenue reserve and powers to pay dividends from capital which can be used to support the Company's dividend if required.

Legal and Regulatory Risk

Principal risk

The Company has been approved by HM Revenue & Customs as an investment trust, subject to continuing to meet the relevant eligibility conditions, and operates as an investment trust in accordance with Chapter 4 of Part 24 of the Corporation Tax Act 2010. As such, the Company is exempt from capital gains tax on the profits realised from the sale of its investments.

Any breach of the relevant eligibility conditions could lead to the Company losing its investment trust status and being subject to corporation tax on capital gains realised within the Company's portfolio.

In such event the investment returns of the Company may be adversely affected. Any serious breach could result in the Company and/or the Directors being fined or the subject of criminal proceedings or the suspension of the Company's shares which would in turn lead to a breach of the Corporation Tax Act 2010. Amongst other relevant laws and regulations, the Company is required to comply with the provisions of the Companies Act 2006, the Alternative Investment Fund Managers' Directive, the Market Abuse Act, the UK Listing Rules and the Disclosure Guidance & Transparency Rules.

Mitigation/Control

The Investment Manager monitors investment movements, the level of forecast income and expenditure and the quantum of proposed dividends, if any, to ensure that the provisions of Chapter 4 of Part 24 of the Corporation Tax Act 2010 are not breached, and the results are reported to the Board at each meeting.

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Following authorisation under the Alternative Investment Fund Managers' Directive (AIFMD), the Company and its appointed Alternative Investment Fund Manager (AIFM) are subject to the risks that the requirements of this Directive are not correctly complied with. The Board and the AIFM also monitor changes in government policy and legislation which may have an impact on the Company.

Compliance with the accounting standards applicable to quoted companies and those applicable to investment trusts are also regularly monitored to ensure compliance.

The Company Secretary and the Company's professional advisers monitor developments in relevant laws and regulations and provide regular reports to the Board in respect of the Company's compliance.

Counterparty Risk

Principal risk
The Company's investment policy permits the use of both exchange-traded and over-the-counter derivatives (including contracts for difference). Counterparty risk represents potential loss that the Company could incur if a counterparty is unable (or unwilling) to honour its commitments.

The Company may also gain exposure to the Frontiers Universe by investing indirectly through Participatory Notes (P-Notes) which presents additional risk to the Company as P-Notes are uncollateralised resulting in the Company being subject to full counterparty risk via the P-Note issuer. P-Notes also present liquidity issues as the Company, being a captive client of a P-Note issuer, may only be able to realise its investment through the P-Note issuer and this may have a negative impact on the liquidity of the P-Notes which does not correlate to the liquidity of the underlying security.

Mitigation/Control
Due diligence is undertaken before contracts are entered into and exposures are diversified across a number of counterparties. The Board reviews the controls put in place by the Investment Manager to monitor and to minimise counterparty exposure, which include intra-day monitoring of exposures to ensure that these are within set limits.

Operational Risk

Principal risk
In common with most other investment trust companies, the Company has no employees. The Company therefore relies upon the services provided by third parties and is dependent on the control systems of BlackRock (the Investment Manager and AIFM), and of The Bank of New York Mellon (International) Limited (the Custodian, Depositary and Fund Accountant), which ensures safe custody of the Company's assets and maintains the Company's accounting records. The Company's share register is maintained by the Registrar, Computershare.

Failure by any service provider to carry out its obligations to the Company could have a material adverse effect on the Company's performance. Disruption to the accounting, payment systems or custody records, as a result of a cyberattack or otherwise, could impact the monitoring and reporting of the Company's financial position.

The security of the Company's assets, dealing procedures, accounting records and maintenance of regulatory and legal requirements, depend on the effective operation of these systems.

Mitigation/Control
The Board reviews the overall performance of the Manager, Investment Manager and all other third-party service providers and compliance with the investment management agreement on a regular basis.

The Fund Accountant's and the Manager's internal control processes are regularly tested and monitored throughout the year and are evidenced through their Service Organisation Control (SOC 1) reports, which are subject to review by an Independent Service Assurance Auditor. The SOC 1 reports provide assurance in respect of the effective operation of internal controls.

The Company's assets are subject to a strict liability regime and in the event of a loss of financial assets held in custody, the Depositary must return assets of an identical type or the corresponding amount, unless able to demonstrate that the loss was a result of an event beyond its reasonable control.

The Board considers succession arrangements for key employees of the Manager and the Board also considers the business continuity arrangements of the Company's key service providers on an ongoing basis and reviews these as part of its review of the Company's risk register.

The Board also receives regular reports from BlackRock's internal audit function.

Political Risk

Principal risk

Investments in the Frontiers Universe may include a higher element of risk compared to more developed markets due to greater political instability. Political and diplomatic events in the Frontiers Universe where the Company invests (for example, governmental instability, corruption, adverse changes in legislation or other diplomatic developments such as the outbreak of war or imposition of sanctions) could substantially and adversely affect the economies of such countries or the value of the Company's investments in those countries.

Mitigation/Control

The Investment Manager mitigates this risk by applying stringent controls over where investments are made and through close monitoring of political risks. The Investment Manager's approach to filtering the investment universe takes account of the political background to regions and is backed up by rigorous stock specific research and risk analysis, individually and collectively, in constructing the portfolio. The management team has a wide network of business and political contacts which provides economic insights with public and private bodies. This enables the Investment Manager to assess potential investments in an informed and disciplined way, as well as being able to conduct regular monitoring of investments once made. However, given the nature of political risk, all investments will be exposed to a degree of risk and the Investment Manager will ensure that the portfolio remains diversified across countries to mitigate the risk.

Financial Risk

Principal risk

The Company's investment activities expose it to a variety of financial risks which include foreign currency risk, liquidity risk, currency risk and interest rate risk.

Mitigation/Control

Details of these risks are disclosed in note 17 to the financial statements, together with a summary of the policies for managing these risks.

Market Risk

Principal risk

The Company is exposed to currency, market and political risk due to the location of the operations of the businesses in which it may invest.

Market risk arises from volatility in the prices of the Company's investments. It represents the potential loss the Company might suffer through realising investments in the face of negative market movements. The securities markets of the Frontiers Universe are not as large as the more established securities markets and have substantially lower trading volume, which may result in a lack of liquidity and higher price volatility.

Corruption also remains a significant issue across the Frontiers Universe and the effects of corruption could have a material adverse effect on the Company's performance. Accounting, auditing and financial reporting standards and practices and disclosure requirements applicable to many companies in developing countries may be less rigorous than in developed markets. As a result, there may be less information available publicly to investors in these securities, and such information as is available is often less reliable. This risk can be partially mitigated by the fact that our portfolio managers only invest in companies that produce fully audited accounts.

Companies operating in the sectors in which the Company invests may be impacted by new legislation governing climate change and environmental issues, which may have a negative impact on their valuation and share price.

Strategic report
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Mitigation/Control
Market risk represents the risks of investment in a particular market, country or geographic region. Therefore, this is largely outside of the scope of the Board's control. However, the Board carefully considers asset allocation, stock selection and levels of gearing on a regular basis and has set investment restrictions and guidelines which are monitored and reported on by the Investment Manager. Market risk is also mitigated through portfolio diversification across countries and regions. The Board monitors the implementation and results of the investment process with the Investment Manager regularly.

The Investment Manager regularly reports to the Board on relative market risks associated with investment in such regions. Further information is provided under 'Political Risk'.

The Board recognises the benefits of a closed-end fund structure in extremely volatile markets such as those affected by the war in Ukraine, the conflict in the Middle East and the cost of living crisis. Unlike open-ended counterparts, closed-end funds are not obliged to sell-down portfolio holdings at low valuations to meet liquidity requirements for redemptions. During times of elevated volatility and market stress, the ability of a closed-end fund structure to remain invested for the long term enables the Investment Manager to adhere to disciplined fundamental analysis from a bottom-up perspective and be ready to respond to dislocations in the market as opportunities present themselves.

The Portfolio Managers seek to understand the ESG risks and opportunities facing companies and industries in the portfolio. The Company does not exclude investment in stocks based on ESG criteria, but the Portfolio Managers consider ESG information when conducting research and due diligence on new investments and again when monitoring investments in the portfolio.

Viability statement
In accordance with the provisions of the UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the twelve months referred to by the 'Going Concern' guidelines. The Board is cognisant of the uncertainty surrounding the potential duration of the conflicts in both Ukraine and the Middle East, their impact on the global economy, and the prospects for many of the Company's portfolio holdings. The Board expects the Company to continue to meet its liabilities as they fall due for the foreseeable future and has therefore conducted this review for a period of five years. Five years is considered by the Board to be a reasonable time horizon over which the performance of the Company can be assessed. The Board also notes that this aligns with the five-yearly assessment period adopted when the Company was launched (on the basis that this was an appropriate time frame for shareholders to judge performance and have the opportunity to tender their shares at the applicable NAV per ordinary share less relevant costs).

The Board conducted this review for the period up to the AGM in 2030.

In determining this period, the Board took into account the Company's investment objective to achieve long-term capital growth and the Company's projected income and expenditure. The Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound.

When the Company was launched in late 2010, the Board made a commitment that before the Company's fifth AGM and at five yearly intervals thereafter, it would formulate and submit to shareholders proposals to provide shareholders with an opportunity to realise the value of their ordinary shares at the applicable NAV per ordinary share less applicable costs. The Board put proposals to shareholders in 2021. The Company received elections to tender representing 21.5% of the Company, with the vast majority of shareholders choosing to retain their investment. The Board believes this is indicative of the ongoing attractiveness of the Company's investment strategy and offering. The next such opportunity will occur in early 2026.

In making the longer-term viability assessment the Board has considered the following factors:

- the Company's principal risks as set out on pages 38 to 42;
- the level of ongoing demand for the Company's ordinary shares;
- the impact of a significant fall in Frontier equity markets on the value of the Company's investment portfolio;
- the ongoing relevance of the Company's investment objective, business model and investment policy in the current environment;
- the operational resilience of the Company and its key service providers and their ability to continue to provide a good level of service for the foreseeable future; and

- the effectiveness of business continuity plans in place for the Company and key service providers.

The Board has also considered a number of financial metrics, including:

- the level of current and historic ongoing charges incurred by the Company;
- the Company's borrowings and its ability to meet its liabilities as they fall due;
- the premium or discount to NAV;
- the level of income generated by the Company;
- future income forecasts; and
- the liquidity of the Company's portfolio.

The Company is an investment company with a relatively liquid equity portfolio (as at 30 September 2024, 92.79% of the equity portfolio was capable of being realised in less than 20 days in normal market conditions) and largely fixed overheads (excluding performance fees) which comprise a very small percentage of net assets (1.41%). In addition, any performance fees are capped at 1% of gross assets in years where the NAV per share has fallen or 2.5% of gross assets in years where the NAV per share has increased. Therefore, the Board has concluded that even in exceptionally stressed operating conditions, the Company would comfortably be able to meet its ongoing operating costs as they fall due.

However, investment companies may face other challenges, such as regulatory changes and the tax treatment of investment trusts, or a significant decrease in size due to substantial share buy-back activity or market falls, which may result in the Company no longer being of sufficient market capitalisation to represent a viable investment proposition or no longer being able to continue in operation.

The Board has determined that the factors considered are applicable to the period up to the AGM in 2030 and beyond.

Based on the results of their analysis, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.

The Board's assessment of the Company's ability to operate in the foreseeable future is included in the Going Concern Statement which can be found on page 53 in the Directors' Report.

Strategic report
continued

Section 172 Statement: Promoting the success of BlackRock Frontiers Investment Trust Plc

The Companies (Miscellaneous Reporting) Regulations 2018 require directors to explain more fully how they have discharged their duties under Section 172(1) of the Companies Act 2006 in promoting the success of their companies for the benefit of members as a whole. This enhanced disclosure covers how the Board has engaged with and understands the views of stakeholders and how stakeholders' needs have been taken into account, the outcome of this engagement and the impact that it has had on the Board's decisions.

As the Company is an externally managed investment company and does not have any employees or customers, the Board considers the main stakeholders in the Company to be the shareholders, key service providers (being the Manager and Investment Manager, the Custodian, Depositary, Registrar and Broker) and investee companies.

A summary of the principal areas of engagement undertaken by the Board with its key stakeholders in the year under review and how Directors have acted upon this to promote the long-term success of the Company is set out in the tables below.

Stakeholders

Shareholders

Shareholder support and engagement are critical to the existence of the Company and the successful delivery of its long-term strategy. The Board is focused on fostering good relationships with shareholders and on understanding the views of shareholders in order to incorporate them into the Company's strategy and objectives.

Manager and Investment Manager

The Board's main working relationship is with the Manager, who is responsible for the Company's portfolio management and risk management, as well as ancillary functions such as administration, secretarial, accounting and marketing services. The Manager has sub-delegated portfolio management to the Investment Manager. Successful management of shareholders' assets by the Investment Manager is critical for the Company to successfully deliver its investment strategy and meet its objective. The Company is also reliant on the Manager as AIFM to provide support in meeting relevant regulatory obligations under the AIFMD and other relevant legislation.

Other key service providers

In order for the Company to function as an investment trust with a listing on the main market of London Stock Exchange, the Board relies on a range of advisors for support in meeting relevant obligations and safeguarding the Company's assets. For this reason, the Board considers the Company's Custodian, Depositary, Registrar and Broker to be stakeholders. The Board maintains regular contact with its key external providers and receives regular reporting from them through the Board and committee meetings, as well as outside of the regular meeting cycle.

Investee companies

Portfolio holdings are ultimately shareholders' assets, and the Board recognises the importance of good stewardship and communication with investee companies in meeting the Company's investment objective and strategy. The Board monitors the Manager's stewardship activities and receives regular feedback from the Manager in respect of meetings with the management of portfolio companies.

A summary of the key areas of engagement undertaken by the Board with its key stakeholders in the year under review and how Directors have acted upon this to promote the long-term success of the Company is set out in the table below.

Area of Engagement

Responsible investing

Issue

The Board is committed to promoting the role and success of the Company in delivering on its investment mandate to shareholders over the long term. However, the Board recognises that securities within the Company's investment remit may involve additional risk due to the political volatility and environmental, social and governance concerns facing many of the countries in the Company's investment universe. While the Company does not have a sustainable investment objective or exclude investments based only on ESG criteria, these ethical and sustainability issues should be a consideration of our Manager's research. More than ever, consideration of sustainable investment is a key part of the investment process and should be factored in when making investment decisions. The Board also has responsibility to shareholders to ensure that the Company's portfolio of assets is invested in line with the stated investment objective and in a way that ensures an appropriate balance between spread of risk and portfolio returns.

Engagement

The Board believes that responsible investment and sustainability are important to the longer-term delivery of value and has worked very closely with the Manager throughout the year to regularly review the Company's performance and investment strategy and to understand how ESG considerations are integrated into the investment process.

The Manager's approach to the consideration of ESG factors in respect of the Company's portfolio, as well as its engagement with investee companies to encourage the adoption of sustainable business practices which support long-term value creation, are kept under review by the Board. The Manager reports to the Board in respect of its consideration of ESG factors and how these are integrated into the investment process; a summary of BlackRock's approach to ESG and sustainability is set out on page 49. The Investment Manager's engagement and voting policy is detailed on pages 52 and 53 and on the BlackRock website.

Impact

The Board and the Manager believe there is a positive long-term correlation between strong ESG practices and investment performance. Details regarding the Company's NAV and share price performance can be found in the Chair's Statement on page 5. The portfolio activities undertaken by the Manager can be found in the Investment Manager's Report on pages 11 to 15.

Share Capital Management

Issue

The Board believes that the Company's unique investment offering, strong performance and attractive dividend yield enhances demand for the Company's shares, which should help to maintain the Company's share price at as close to the underlying NAV as possible. However, wider market issues such as the level of interest rates and investor sentiment may lead to divergence.

Engagement

The Manager reports total return performance statistics to the Board on a regular basis, along with the portfolio yield and the impact of dividends paid on brought forward distributable reserves.

The Board reviews the Company's discount/premium to NAV on a regular basis and holds frequent discussions with the Manager and the Company's broker regarding the discount/premium level and the factors effecting it.

The Board seeks shareholder authority each year to buy back up to 14.99% of the Company's issued share capital for cancellation or to be held in treasury for potential re-issue. Buying back the Company's shares can, in certain circumstances, help to narrow the discount and/or reduce the volatility in the share rating.

The Company has also put in place a five yearly mechanism which provides shareholders with a periodic opportunity to tender their shares at NAV less costs. This last occurred in March 2021, with the next opportunity to take place in early 2026.

Strategic report

continued

Impact

The average discount for the year to 30 September 2024 was 9.4%. During the year the Company's share price traded at a maximum discount of 11.4% and a minimum discount of 5.3%. This range compares favourably with the peer group and wider investment company sector.

Service levels of third party providers

Issue

The Board acknowledges the importance of ensuring that the Company's principal suppliers are providing a suitable level of service, including the Manager in respect of investment performance; the Custodian and Depositary in respect of their duties towards safeguarding the Company's assets; the Registrar in its maintenance of the Company's share register and dealing with investor queries and the Company's Brokers in respect of the provision of advice and acting as a market maker for the Company's shares.

Engagement

The Manager reports to the Board on the Company's performance on a regular basis. The Board carries out a robust annual evaluation of the Manager's performance, their commitment and available resources.

The Board performs an annual review of the service levels of all third party service providers and concludes on their suitability to continue in their role.

The Board receives regular updates from the AIFM, Depositary, Registrar and Brokers on an ongoing basis.

The Board works closely with the Manager to gain comfort that relevant business continuity plans are operating effectively for all of the Company's service providers.

Impact

All performance evaluations were performed on a timely basis and the Board concluded that all third-party service providers, including the Manager, Custodian, Depositary and Fund Accountant were operating effectively and providing a good level of service.

The Board has received updates in respect of business continuity planning from the Company's Manager, Custodian, Depositary, Fund Accountant, Broker, Registrar and printer, and is confident that arrangements are in place to ensure that a good level of service will continue to be provided.

Board composition

Issue

The Board is committed to ensuring that its own composition brings an appropriate balance of knowledge, experience and skills, and that it is compliant with best corporate governance practice under the UK Code, including guidance on tenure and the composition of the Board's committees.

Engagement

As it does each year, the Board, discharging the duties of a Nomination Committee, considers the composition of the Board to ensure that it is suitably aligned with the activities and needs of the Company. Following this review, and in accordance with corporate governance best practice, the Board appointed Katrina Hart as Chair and Elisabeth Airey as the Senior Independent Director from the conclusion of the AGM in 2024. Over the year ended 30 September 2024, a comprehensive search and selection process was conducted to identify a new non-executive Director. Following this thorough process, Mr Hatem Dowidar was appointed on 7 February 2024.

The Board will continue to keep the composition of the Board under regular review. If it is determined that a new appointment to the Board is required, it will agree the selection criteria, which will take into account the need to maintain a suitable balance of skills, knowledge, independence and diversity.

All Directors are subject to a formal evaluation process on an annual basis (more details and the conclusions in respect of the 2024 evaluation process are given on page 61). All eligible Directors stand for re-election by shareholders annually. Shareholders may attend the AGM and raise any queries in respect of Board composition or individual Directors in person or may contact the Company Secretary or the Chair using the details provided on page 122 if they wish to raise any issues.

Impact

The Directors are not aware of any issues that have been raised directly by shareholders in respect of Board composition in 2024. Details for the proxy voting results in favour and against individual Directors' re-election at the 2023 AGM are given on the Company's website at www.blackrock.com/uk/brfi.

Shareholders

Issue

Shareholder support and engagement are critical to the continued existence of the Company and the successful delivery of its long-term strategy.

Engagement

The Board is committed to maintaining open channels of communication and engaging with shareholders. The Company welcomes and encourages attendance and participation from shareholders at its Annual General Meetings. Shareholders therefore have the opportunity to meet the Directors and Investment Manager and to address questions to them directly.

The Annual Report and Half Yearly Financial Report are available on the BlackRock website and are also circulated to shareholders either in printed copy or via electronic communications. In addition, regular updates on performance, monthly factsheets, the daily NAV and other information are published on the website at www.blackrock.com/uk/brfi.

The Board works closely with the Manager to develop the Company's marketing strategy, with the aim of ensuring effective communication with shareholders in respect of the investment mandate and objective. Unlike trading companies, one-to-one shareholder meetings usually take the form of a meeting with the Investment Manager as opposed to members of the Board. As well as attending regular investor meetings the Investment Manager holds regular discussions with wealth management desks and offices to build on the case for, and understanding of, long-term investment opportunities in frontier markets.

The Manager coordinates public relations activity, including meetings between the Investment Manager and relevant industry publications to set out their vision for the portfolio strategy and outlook for the region.

The Manager releases monthly portfolio updates to the market to ensure that investors are kept up to date in respect of performance and other portfolio developments and maintains a website on behalf of the Company that contains relevant information in respect of the Company's investment mandate and objective.

If shareholders wish to raise issues or concerns with the Board, they are welcome to do so at any time. The Chair is available to meet directly with shareholders periodically to understand their views on governance and the Company's performance where they wish to do so. She may be contacted via the Company Secretary whose details are given on page 122.

Impact

The Board values any feedback and questions from shareholders ahead of and during Annual General Meetings in order to gain an understanding of their views and will take action when and as appropriate. Feedback and questions will also help the Company evolve its reporting, aiming to make it more transparent and understandable.

Feedback from all substantive meetings between the Investment Manager and shareholders is shared with the Board. The Directors also receive updates from the Company's Broker and the Investment Manager on any feedback from shareholders, as well as share trading activity and share price performance.

Strategic report
continued

The Company's approach to ESG
Environmental, social and governance (ESG) issues can present both opportunities and risks to long-term investment performance. Whilst the Company does not exclude investment in stocks purely on ESG criteria, material ESG analytics are integrated into the investment process when weighing up the risks and rewards of investment decisions. The Board believes that communication and engagement with portfolio companies is important and can lead to better outcomes for shareholders and the environment than merely excluding investment in certain areas.

More information on BlackRock's global approach to ESG integration, as well as activity specific to the BlackRock Frontiers Investment Trust plc portfolio, is set out below. BlackRock has defined ESG integration as the practice of incorporating financially material E, S and/or G data and information and consideration of sustainability risks into investment decisions with the objective of enhancing risk-adjusted returns. ESG integration does not change the Company's investment objective.

More information on sustainability risks may be found in the AIFMD Fund Disclosures document of the Company available on the Company's website at www.blackrock.com/uk/brfi.

BlackRock's approach to ESG integration
BlackRock believes that sustainability risks, including climate risks, are investment risks. As a fiduciary, BlackRock manages material risks and opportunities that could impact portfolios. Sustainability can be a driver of investment risks and opportunities, and BlackRock incorporates them in its firm wide processes when they are material. This in turn (in BlackRock's view) is likely to drive a significant reallocation of capital away from traditional carbon intensive industries over the next decade. BlackRock believes that carbon-intensive companies will play an integral role in unlocking the full potential of the energy transition, and to do this, they must be prepared to adapt, innovate and pivot their strategies towards a low carbon economy.

BlackRock incorporates into its firmwide processes relevant, financially material information, including financially material data and information related to ESG. BlackRock's investment view is that doing so can provide better risk-adjusted returns for its clients over the long term.

BlackRock's clients have a wide range of perspectives on a variety of issues and investment themes, including sustainable and low-carbon transition investing. Given the wide range of unique and varied investment objectives sought by its clients, BlackRock's investment teams have a range of approaches to considering financially material E, S, and/or G factors. As with other investment risks and opportunities, the financial materiality of E, S and/or G considerations may vary by issuer, sector, product, mandate, and time horizon. Depending on the investment approach, this financially material E, S and/or G data or information may help inform due diligence, portfolio or index construction, and/or monitoring processes of client portfolios, as well as BlackRock's approach to risk management.

BlackRock's ESG integration framework is built upon its history as a firm founded on the principle of thorough and thoughtful risk management. Aladdin, BlackRock's core risk management and investment technology platform, allows investors to leverage financially material E, S and/or G data or information as well as the combined experience of BlackRock's investment teams to effectively identify investment opportunities and investment risks. BlackRock's heritage in risk management combined with the strength of the Aladdin platform enables BlackRock's approach to ESG integration.

BlackRock structures its approach around three main pillars: investment processes, material insights and transparency. These pillars underpin ESG integration at BlackRock and they are supported by equipping BlackRock employees with investment relevant E, S and/or G data, tools, and education.

More information in respect of BlackRock's approach to ESG integration can be found at https://www.blackrock.com/corporate/literature/publication/blk-esg-investment-statement-web.pdf.

BlackRock Investment Stewardship

The BlackRock Investment Stewardship (BIS) team takes a long-term approach in its stewardship efforts, reflecting the investment horizons of the majority of BlackRock's clients. BIS' activities include engaging with companies, proxy voting on clients' behalf, contributing to industry dialogue on stewardship, and reporting on its activities. These activities are the main components of the stewardship toolkit and are performed all year long. BIS aims to take a globally consistent approach, while recognising the unique markets and sectors in which companies operate.

BIS benchmark policies

The BIS Global Principles, regional voting guidelines and engagement priorities (website links listed below and collectively, the 'BIS benchmark policies') set out the core elements of corporate governance that guide BIS' efforts globally and within each regional market, including when engaging with companies and voting at shareholder meetings when authorised to do so on behalf of clients. BIS is committed to transparency in terms of disclosure of its stewardship activities on behalf of clients and publishes these benchmark policies to help BlackRock's clients understand its work to advance their interests as long-term investors in public companies. Each year, BIS reviews its benchmark policies and updates them as necessary to reflect changes in market standards and regulations, insights gained over the year through third-party and its own research, and feedback from clients and companies. Additionally, BIS publishes both annual and quarterly reports detailing its stewardship activities, as well as vote bulletins that describe its rationale for certain votes at high-profile shareholder meetings. More detail in respect of BIS reporting can be found at www.blackrock.com/corporate/insights/investment-stewardship.

Global Principles

The BIS Global Principles reflect BIS' views on the globally-applicable fundamental elements of corporate governance that contribute to a company's ability to create long-term financial value. The Global Principles are available on BIS' website: www.blackrock.com/corporate/literature/fact-sheet/blkresponsible-investment-engprinciples-global.pdf.

Regional voting guidelines

The BIS regional voting guidelines provide context on local market rules and norms within the framework of BIS' overarching global corporate governance principles. The regional voting guidelines help provide clients, companies, and others guidance on BIS' position on common voting matters in each market. BIS' regional voting guidelines are available on its website: www.blackrock.com/corporate/insights/investment-stewardship#stewardship-policies.

Engagement priorities

The BIS engagement priorities are the five themes on which BIS most frequently engages with companies, where they are relevant and a source of material business risk or opportunity. The engagement priorities are available on BIS' website: www.blackrock.com/corporate/literature/publication/blk-stewardship-priorities-final.pdf.

BlackRock's reporting and disclosures

In terms of its own reporting, BlackRock believes that the Sustainability Accounting Standards Board provides a clear set of standards for reporting sustainability information across a wide range of issues, from labour practices to data privacy to business ethics. For evaluating and reporting climate-related risks, as well as the related governance issues that are essential to managing them, the Task Force on Climate-related Financial Disclosures (TCFD) provides a valuable framework. BlackRock recognises that reporting to these standards requires significant time, analysis, and effort. BlackRock's 2023 TCFD report can be found at www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/tcfd-report-2023-blkinc.pdf.

By order of the Board

KEVIN MAYGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
4 December 2024

Directors' report

The Directors present the Annual Report and Financial Statements of the Company for the year ended 30 September 2024.

Status of the Company

The Company carries on business as an investment trust. It has been approved by HM Revenue & Customs as an investment trust in accordance with Sections 1158 and 1159 of the Corporation Tax Act 2010, subject to the Company continuing to meet eligibility conditions. The Directors are of the opinion that the Company has conducted its affairs in a manner which will satisfy the conditions for continued approval.

The Company is domiciled in the UK as an investment company within the meaning of Section 833 of the Companies Act 2006. It is not a close company and has no employees.

As an investment company that is managed and marketed in the United Kingdom, the Company is an Alternative Investment Fund (AIF) falling within the scope of, and subject to the requirements of the Alternative Investment Fund Managers' Directive, as implemented, retained and onshored in the UK. The Company is governed by the provisions of the Alternative Investment Fund Managers (Amendment) (EU Exit) Regulations 2019 ('the Regulations') and is required to be authorised by the FCA and must comply with a number of obligations, including the appointment of an AIFM and a depositary to carry out certain functions. The AIFM must also comply with the Regulations in respect of leverage, outsourcing, conflicts of interest, risk management, valuation, remuneration and capital requirements. Additional disclosures to both shareholders and the FCA are also required. Further details are set out on the Company's website at www.blackrock.com/uk/brfi, the Regulatory disclosures section on pages 126 to 128 and in the notes to the financial statements on pages 91 to 117.

The Company is a qualifying company for the purposes of Stocks & Shares ISA.

The Common Reporting Standard

On 1 January 2016 the Organisation for Economic Cooperation and Development (OECD) Common Reporting Standard for Automatic Exchange of Financial Account Information (the Common Reporting Standard) was introduced and is applicable to the Company.

The legislation requires investment trust companies to provide personal information to HMRC about investors who purchase shares in investment trusts. The Company will have to provide information annually to the local tax authority on the tax residencies of a number of non-UK based certificated shareholders and corporate entities. The local tax authority to which the information is initially passed may in turn exchange the information with the tax authorities of another country or countries in which the shareholder may be tax resident, where those countries (or tax authorities in those countries) have entered into agreements to exchange financial account information.

All new shareholders, excluding those whose shares are held in CREST, entered on to the share register will be sent a certification form for the purposes of collecting this information.

Shareholder Rights Directive II

The Shareholder Rights Directive II took effect from 10 July 2019 with some transitional provisions. It encourages long-term shareholder engagement and transparency between companies and shareholders. In substantive terms the changes are small for investment companies and the majority of requirements apply to the Company's remuneration policy and disclosure of processes, as well as related party transactions. There are also additional rules for Alternative Investment Fund Managers and proxy advisers.

GDPR

Data protection rights were harmonised across the European Union following the implementation of the General Data Protection Regulation ("GDPR") on 25 May 2018. The Board has sought and received assurances from its third-party service providers that they have taken appropriate steps to ensure compliance with the regulation. The Company's 'Data Privacy Policy' can be found on the Company's website at www.blackrock.com/uk/brfi.

Facilitating retail investments

The Company currently conducts its affairs so that its securities can be recommended by independent financial advisers to retail investors in accordance with the FCA rules in relation to non-mainstream pooled investments and intends to continue to do so for the foreseeable future. The securities are excluded from the FCA's restrictions which apply to non-mainstream pooled investments because they are shares in an investment trust.

Future prospects

Commentary on future prospects for the Company is set out in both the Chair's Statement on pages 5 to 9 and the Investment Manager's Report on pages 11 to 15.

Dividends

Details of dividends paid and payable in respect of the year are set out in the Chair's Statement on page 5 and in the Strategic Report on page 36.

Investment management and administration

BlackRock Fund Managers Limited (BFM) was appointed as the Company's AIFM with effect from 2 July 2014, having been authorised as an AIFM by the FCA on 1 May 2014. The management contract is terminable by either party on six months' notice.

BlackRock Investment Management (UK) Limited (BIM (UK)) continues to act as the Company's Investment Manager under a delegation agreement with BFM. BIM (UK) also acted as the Secretary of the Company throughout the year. BFM receives an annual fee of 1.10% of the Company's gross asset value plus a performance fee equal to 10% of any increase in the NAV at the end of a performance period over and above what would have been achieved had the cumulative NAV since admission to trading on the Official List of the London Stock Exchange increased in line with the Benchmark Index (all calculations on a US Dollar basis with dividends reinvested). The Board conducted a comprehensive review of the investment management and performance fees over the year. As a result of this review, the management fee will be levied on the Company's net asset value with effect from 1 October 2024 (previously the fee was levied on the Company's gross assets (defined as the aggregate net assets of the long equity and CFD portfolios of the Company). In practice this will have minimal impact on the quantum of the fee (due to the fact that the accounting basis for calculating the net asset value of the CFD portfolios means that gross assets often equate to net assets to the extent the Company is not leveraged through other means). However, it aligns the fee structure with broader market practice and is simpler to understand. In addition, a tiered fee structure will be introduced, such that a fee of 1.1% will be levied on the Company's net assets up to US$650 million, reducing to 1% on net assets above this amount.

The performance fee payable in any year is capped at 2.5% of the gross assets of the Company if there is an increase in the NAV per share, or 1% of the gross assets of the Company if there is a decrease of the NAV per share, at the end of the relevant performance period. It is also subject to a high watermark such that any performance fee arising is only payable to the extent that the cumulative relative outperformance of the NAV is greater than what would have been achieved had the NAV increased in line with the Benchmark Index (US Dollar basis with dividends reinvested) since the last date in relation to which a performance fee had previously been paid. This mechanism requires the Manager to catch up any previous cumulative underperformance against the Benchmark Index since launch before a performance fee can be generated. For the year ended 30 September 2024, a performance fee of US$3,510,000 is payable (2023: US$8,272,000). Further details are given in note 4 on pages 95 and 96. A detailed review of the management fee structure was undertaken during the year and the Board concluded that the revised fee structure was appropriate.

The Company contributes to a focused investment trust sales and marketing initiative operated by BIM (UK) on behalf of the investment trusts under its management. The Company's contribution to the consortium element of the initiative, which enables the investment trusts to achieve efficiencies by combining certain sales and marketing activities, represented 0.025% per annum (subject to an overall cap) of its net assets of US$385,218,000 (£302,179,000) as at 31 December 2023 and this contribution is matched by BIM (UK). For the year ended 30 September 2024, the capped amount of US$89,000 (excluding VAT) has been accrued in respect of these initiatives. The purpose of the programme overall is to ensure effective communication with existing shareholders and to attract new shareholders to the Company. This has the benefit of improving liquidity in the Company's shares and helps sustain the stock market rating of the Company.

BFM and BIM (UK) are subsidiaries of BlackRock, Inc. which is a publicly traded corporation on the New York Stock Exchange operating as an independent firm.

Appointment of the manager

The Board considers the arrangements for the provision of management services to the Company on an ongoing basis and a formal review is conducted annually. As part of the annual review the Board considered the quality and continuity of the personnel assigned to handle the Company's affairs, the investment process and the results achieved to date. The Board believes that the appointment of BFM as AIFM, and the delegation of investment management services to BIM (UK), on the terms disclosed above, is in the interests of shareholders as a whole given BlackRock's proven track record of successfully investing in frontier markets.

Directors' report

continued

Depositary and Custodian

Under the AIFMD, the Company is required to appoint an AIFMD compliant depositary. The Company appointed BNY Mellon Trust & Depositary (UK) Limited (BNYTD) with effect from 2 July 2014. With effect from 1 November 2017, the role of the Depositary was transferred by operation of a novation agreement from BNYTD to its parent company, The Bank of New York Mellon (International) Limited (BNY or the Depositary).

The Depositary's duties and responsibilities are outlined in the investment fund legislation (as defined in the FCA AIF Rulebook). The main role of the Depositary under AIFMD is to act as a central custodian with additional duties to monitor the operations of the Company, including monitoring cash flows and ensuring that the Company's assets are valued appropriately in accordance with the relevant regulations and guidance. The Depositary is also responsible for enquiring into the conduct of the AIFM in each annual accounting period. The Depositary receives a fee payable at 0.0095% of the net assets of the Company. The Company has appointed the Depositary in a tripartite agreement, to which BFM as AIFM is also a signatory. The Depositary is liable for the loss of financial instruments held in custody.

Under the depositary agreement, custody services in respect of the Company's assets are provided by The Bank of New York Mellon (International) Limited. BNY receives a custody fee payable by the Company at rates depending on the number of trades effected and the location of securities held. The depositary agreement is subject to 90 days' notice of termination by any party.

Registrar

The Company has appointed Computershare Investor Services PLC as its Registrar (the Registrar). The principal duty of the Registrar is the maintenance of the register of shareholders (including registering transfers). It also provides services in relation to any corporate actions, dividend administration, shareholder documentation, the Common Reporting Standard and the Foreign Account Tax Compliance Act.

The Registrar receives a fixed fee plus disbursements and VAT per annum. Fees in respect of corporate actions are negotiated on an arising basis.

CFD counterparties

The Company uses derivatives (including contracts for difference) and/or structured financial instruments, for example P-Notes, to gain exposure to the Frontiers Universe in certain circumstances. Citibank, HSBC, Goldman Sachs, Morgan Stanley, BNP Paribas and Bank of America Merrill Lynch act as contracts for difference (CFD) counterparties to the Company under separate International Swaps and Derivatives Association (ISDA) master agreements. The ISDA agreements are terminable subject to 30 days' notice by either party.

Change of control

There are no agreements to which the Company is a party that might be affected by a change in control of the Company.

Exercise of voting rights in investee companies

The exercise of voting rights attached to the Company's portfolio has been delegated to the Investment Manager by BFM. BIM (UK)'s approach to voting at shareholder meetings, engagement with companies and corporate governance is framed within an investment context. BIM (UK) believes that sound corporate governance practices by companies can contribute to their long-term financial performance and thus to better risk-adjusted returns. BIM (UK)'s proxy voting process is led by the BlackRock Investment Stewardship team, located in nine offices around the world. In addition to its own dedicated staff, the BIS team draws upon the expertise of BIM (UK)'s portfolio managers, researchers and other internal and external resources globally.

BIM (UK)'s stewardship policies are published on the website at:
https://www.blackrock.com/corporate/insights/investment-stewardship.

The principles set out BIM (UK)'s views on the overarching features of corporate governance that apply in all markets. For each region, BIM (UK) also publishes regional voting guidelines, which are updated as necessary to reflect changes in market standards, evolving governance practices, and insights gained from multi-year engagements.

The regional voting guidelines are principles based and not prescriptive because BIM (UK)'s experience, each voting situation needs to be assessed on its economic merits. Voting decisions are taken to support the outcome that in BIM (UK)'s assessment, will be best aligned with the long-term financial interests of their clients.

During the year under review, the Investment Manager voted on 536 proposals at 51 general meetings on behalf of the Company. At these meetings the Investment Manager voted in favour of most resolutions, but did not support 60 (11.19%) management resolutions and abstained from voting on 43 (8.02%) resolutions. Most of the votes against were in respect of proposals which contained insufficient disclosure for the Investment Manager to make an informed decision, or in respect of executive remuneration packages which were considered to be poorly structured.

Principal risks

The key risks faced by the Company are set out in the Strategic Report on pages 38 to 42.

Going concern

As described in the viability statement on pages 42 and 43 of the Annual Report, the Directors, having considered the nature and liquidity of the portfolio, the Company's investment objective and the Company's projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the period to 30 September 2026, being a period of at least 12 months from the date of approval of these financial statements and is financially sound. The Board is still mindful of the current environment of heightened geopolitical risk given the conflicts in Ukraine and the Middle East, and their current and potential future impact on the global economy.

The financial statements of the Company have been prepared on a going concern basis. In reaching this conclusion, the Directors have considered the nature and liquidity of the portfolio, the Company's investment objectives, the Company's projected and actual income and expenditure and its ongoing charges of approximately 1.41% of net assets (excluding performance fees). The Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future, that it is able to meet its liabilities as they fall due and that it is financially sound.

Directors

The Directors of the Company as at 30 September 2024 and their biographies are set out on pages 31 to 33. Details of Directors' interests in the ordinary shares of the Company are set out on pages 66 and 67 of the Directors' Remuneration Report. All the Directors, with the exception of Mr Dowidar, held office throughout the year under review. The Company's Articles of Association ('the Articles') require that one third of the Directors retire by rotation each year and seek re-election at the AGM and also that every Director submit himself or herself for re-election at least every three years. Subject to these requirements for re-election, Directors are appointed to the Board for a specified period, initially for three years and subsequent extensions are, in each case, at the discretion of the Board. Having given due regard to developing corporate governance and best practice, all Directors have agreed to retire and submit themselves for re-election annually.

Accordingly, all Directors will retire at the forthcoming AGM, and will offer themselves for re-election. The Board is conscious of the need to maintain a degree of continuity and believes that retaining Directors with sufficient experience of both the Company and the markets is of great benefit to shareholders. The Board believes that the performance of all Directors continues to be effective and that they demonstrate a range of business, financial and asset management skills and experience relevant to the direction and control of the Company. The Board, having considered the retiring Directors' performance within the annual Board performance evaluation process, hereby recommends that shareholders vote in favour of each Director's proposed re-election. Further information on the respective skills and experience of each member of the Board can be found on pages 55 and 56.

There were no contracts subsisting during the year under review or up to the date of this report in which a Director of the Company is or was materially interested and which is or was significant in relation to the Company's business. None of the Directors is entitled to compensation for loss of office on the takeover of the Company. None of the Directors has a service contract with the Company.

Directors' indemnity and Directors' liability insurance

The Company has maintained appropriate Directors' Liability Insurance cover throughout the year. In addition to Directors' and Officers' Liability Insurance cover, the Company's Articles provide, subject to the provisions of applicable UK legislation, an indemnity for Directors in respect of costs incurred in the defence of any proceedings brought against them by third parties arising out of their positions as Directors, in which they are acquitted, or judgement is given in their favour. The Company has entered into Deeds of Indemnity with Directors individually which are available for inspection at the registered office of the Company and will be available at the Annual General Meeting.

Conflicts of interest

The Board has put in place a framework in order for Directors to report conflicts of interests or potential conflicts of interest. All Directors are required to notify the Company Secretary of any situations, or potential situations where they consider that they have or may have a direct or indirect interest or duty that conflicted or possibly conflicted with the interests of the Company. The Board has considered that the framework worked effectively throughout the period under review. All such situations were reviewed by the Board and duly authorised. Directors were also made aware that there remains a continuing obligation to notify the Company Secretary of any new situation that may arise, or any change to a situation previously notified. It is the Board's intention to continue to review all notified situations on a regular basis.

Directors' report

continued

Directors' remuneration report and policy

The Directors' Remuneration Report and Remuneration Policy is set out on pages 65 to 69. An advisory ordinary resolution to approve the Directors' Remuneration Report (excluding any content relating to the Remuneration Policy) will be put to shareholders at the Company's forthcoming AGM in February 2025. The Company is required to put the Directors' Remuneration Policy to a binding shareholder vote every three years. The Company's Remuneration Policy was last put to shareholders at the AGM in 2023 and therefore a resolution approving the policy will be laid before shareholders at the AGM in 2026.

Substantial share interests

As at 30 September 2024, the Company had received notification in accordance with the FCA's Disclosure Guidance and Transparency Rule 5.1.2R of the following interests in 3% or more of the voting rights attaching to the Company's issued share capital.

Name	Number of voting rights	% of total voting rights
City of London Investment Management Company Limited	27,206,021	14.37
Investec Wealth	17,359,433	9.16
RBC Brewin Dolphin	12,528,608	6.61
1607 Capital Partners, LLC	11,609,984	6.13
Tilney Smith & Williamson Limited	8,545,016	4.51

As at 2 December 2024, being the latest practicable date prior to disclosure of the Annual Report, the Company had received the following additional notification of interests in 3% or more of the voting rights attached to the Company's issued share capital.

Name	Number of voting rights	% of total voting rights
1607 Capital Partners, LLC	11,422,994	6.03
Tilney Smith & Williamson Limited	8,397,137	4.44

Share capital, ordinary share issues and repurchases

At 30 September 2024, the Company had 241,822,801 ordinary shares in issue, of which 52,497,053 were held in treasury. The Company also has 50,000 management shares in issue which carry the right to a fixed cumulative preferred dividend. The management shares are held by the Manager, BlackRock Investment Management (UK) Limited. Full details of the Company's issued share capital are given in notes 15 and 16 to the financial statements on pages 101 and 102. Details of the voting rights in the Company's shares as at the date of this report are given in note 17 to the Notice of Annual General Meeting on page 141.

The Company's ordinary shares carry the right to receive dividends and have one voting right per ordinary share. There are no restrictions on the voting rights or the transfer of the ordinary shares. There are no shares which carry specific rights with regard to the control of the Company.

The Directors seek shareholder authority each year to allot new shares, dis-applying pre-emption rights, and to repurchase the Company's shares in the market, to be cancelled or retained in treasury for re-issue. Although the Investment Manager initiates any buy backs, the policy and parameters are set by the Board and reviewed at regular intervals. The Company intends to raise the cash needed to finance the purchase of shares either by selling securities in the Company's portfolio or by short-term borrowing.

The current authority to issue new shares or purchase ordinary shares in the market (to be held in treasury or for cancellation) was granted to the Directors on 6 February 2024 and expires at the conclusion of this year's AGM. The Directors are proposing that these authorities be renewed at the forthcoming AGM.

No ordinary shares were purchased during the year. Since the year end and up to 2 December 2024, the Company bought 25,000 ordinary shares back at an average price of 149.00p per share for a total cost of £37,000. The Company currently holds 52,522,053 (2023: 52,497,053) ordinary shares in treasury.

No ordinary shares were allotted during the year to 30 September 2024 or following the year end.

Streamlined energy and carbon reporting (SECR) statement: greenhouse gas (GHG) emissions and energy consumption disclosure

As an externally managed investment company, the Company has no greenhouse gas emissions to report from its operations, nor does it have any responsibility for any other emissions producing sources under the Companies Act (Strategic Report and Directors' Reports) Regulations 2013. For the same reason, the Company considers itself to be a low energy user under the SECR regulations and therefore is not required to disclose energy and carbon information.

Articles of association

Any amendments to the Company's Articles must be made by special resolution.

Annual general meeting

The following information to be discussed at the forthcoming AGM is important and requires your immediate attention. If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended). If you have sold or transferred all of your ordinary shares in the Company, you should pass this document, together with any other accompanying documents (but not the personalised Form of Proxy) as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

The business of this year's AGM consists of 14 resolutions. Resolutions 1 to 11 are proposed as ordinary resolutions and resolutions 12 to 14 are being proposed as special resolutions.

Resolution 1 – Approval of the Annual Report and Financial Statements

This resolution seeks shareholder approval of the Annual Report and Financial Statements for the year ended 30 September 2024 and the Auditor's report thereon.

Resolution 2 – Approval of the Directors' Remuneration Report

This resolution is an advisory vote on the Directors' Remuneration Report, which is set out on pages 65 to 67, excluding any content relating to the remuneration policy.

Resolution 3 – Approval of a final dividend

Resolution 3 seeks shareholder approval of a final dividend of 6.00 cents per ordinary share for the year ended 30 September 2024.

Resolutions for the re-election of Directors

The biographies of the Directors are set out on pages 31 to 33 and are incorporated into this report by reference. The skills and experience that each Director brings to the Board for the long-term sustainable success of the Company are set out below. All the Directors will stand for election or re-election by shareholders at the AGM in accordance with the requirements of the UK Code.

Resolution 4

Relates to the re-election of Katrina Hart who was appointed on 1 October 2019. Katrina has extensive knowledge of the UK retail investment market and has served on the boards of an asset management operating companies and several investment trust companies.

Resolution 5

Relates to the re-election of Stephen White who was appointed on 13 July 2016, and who also chairs the Company's Audit and Management Engagement Committee. Stephen has many years of experience in the investment management sector as well as serving as a non-executive director on several investment trust boards. He is a qualified Chartered Accountant.

Resolution 6

Relates to the re-election of Elisabeth Airey who was appointed on 10 December 2021. Elisabeth has provided significant insight to the Board through her financial and corporate experience and knowledge of the investment management sector. She has served on boards of several investment trust companies.

Resolution 7

Relates to the re-election of Lucy Taylor-Smith who was appointed on 10 December 2021. Lucy brings business and executive experience within the financial services industry and beyond, having worked with a broad range of publicly listed entities. She has spent much of her career in Asia.

Directors' report
continued

Resolution 8
Relates to the election of Hatem Dowidar who was appointed on 7 February 2024. Hatem brings extensive experience of business, executive and consumer related matters outside of the financial services industry and across many emerging and frontier markets.

Resolutions 9 and 10 – Reappointment of the external Auditor and the Auditor's Remuneration
These resolutions relate to the re-appointment and remuneration of the Company's Auditor. The Company, through its Audit and Management Engagement Committee, has considered the independence and objectivity of the external Auditor and are satisfied that the Auditor remains independent. Further information in relation to the assessment of the Auditor's independence can be found on pages 74 and 75.

Resolutions relating to the following items of special business will be proposed at the forthcoming AGM.

Resolution 11 – Authority to allot ordinary shares
Resolution 11 seeks to renew the authority of the Directors to allot ordinary shares for cash up to an aggregate nominal amount of US$189,300.74 which is equivalent to 18,930,574 ordinary shares of 1 cent each and represents 10% of the Company's issued ordinary share capital (excluding any treasury shares) as at the date of the Notice of Annual General Meeting, or, if different, such nominal amount as represents 10% of the Company's issued share capital as at the date of the passing of this resolution.

Special Resolution 12 – Authority to dis-apply pre-emption rights
Special Resolution 12 empowers the Directors to allot new shares for cash or to sell ordinary shares held by the Company in treasury, otherwise than to existing shareholders on a pro rata basis, up to an aggregate nominal amount of US$189,300.74 which is equivalent to 18,930,074 ordinary shares of 1 cent each and represents 10% of the Company's issued ordinary share capital (excluding any treasury shares). The special resolution to be proposed will enable the Directors, at their discretion, to allot a limited number of equity securities for cash and will also provide the Directors with greater flexibility should appropriate business opportunities arise.

Special Resolution 13 – Authority to buy back shares
The special resolution to be proposed will seek to renew the authority granted to Directors enabling the Company to purchase its own ordinary shares. Purchases of ordinary shares will only be made through the market for cash at prices below the prevailing NAV per ordinary share. Under the Listing Rules of the Financial Conduct Authority the maximum price which can be paid shall be the higher of (i) an amount equal to 5% above the average of the market values of the ordinary shares for the five business days immediately preceding the date on which the purchase is made and (ii) the higher of the price quoted for (a) the last independent trade of, and (b) the highest current independent bid for, any number of ordinary shares on the trading venue where the purchase is carried out. In making purchases, the Company will deal only with member firms of the London Stock Exchange. The Directors are seeking authority to purchase up to 28,376,182 ordinary shares (being approximately 14.99% of the issued ordinary share capital as at the date of the Notice of Annual General Meeting) or, if different, such nominal amount as represents 14.99% of the Company's issued share capital as at the date of the passing of this resolution.

Special Resolution 14 – Notice period for General Meetings
Special Resolution 14 empowers the Directors to hold general meetings (other than annual general meetings) on 14 days' notice, which is the minimum notice period permitted by the Companies Act 2006. The EU Shareholder Rights Directive increases the minimum notice period to 21 days unless two conditions are met.

The first condition is that the Company offers facilities for shareholders to vote by electronic means. The second condition is that there is an annual resolution of shareholders approving the reduction in the minimum notice period from 21 days to 14 days, hence this resolution being proposed. It is not intended that this power will be used as a matter of course, rather that this flexibility will be utilised where the Board believes that the nature of the business to be conducted requires that a general meeting be convened at 14 days' notice.

Recommendation
Your Board considers that the resolutions to be proposed at the AGM are likely to promote the success of the Company for the benefit of its members as a whole and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that shareholders vote in favour of each resolution, as they intend to do in respect of their own beneficial holdings.

Corporate governance

Full details are given in the Corporate Governance Statement on pages 58 to 64. The Corporate Governance Statement forms part of this Directors' Report.

Audit information

As required by Section 418 of the Companies Act 2006, each of the Directors who held office at the date of approval of this report confirms that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Independent auditor

In line with EU regulations on mandatory audit rotation, an audit tender process was carried out by the Company during 2021 and, as a result, it was recommended that Ernst & Young LLP be re-appointed as the Company's independent auditor. Ernst & Young LLP has indicated its willingness to continue in office and resolutions proposing their reappointment and authorising the Company's Audit and Management Engagement Committee to determine its remuneration for the ensuing year will be submitted at the AGM.

The Directors' Report was approved by the Board at its meeting on 4 December 2024.

By order of the Board

KEVIN MAYGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
4 December 2024

Corporate governance statement

Chair's introduction

Corporate governance is the process by which the Board seeks to look after shareholders' interests and to protect and enhance shareholder value. Shareholders hold the Directors responsible for the stewardship of the Company, delegating authority and responsibility to the Directors to manage the Company on their behalf and holding them accountable for its performance.

The Board is ultimately responsible for framing and executing the Company's strategy and for closely monitoring risks. We aim to run our Company in a manner which is responsible and consistent with our belief in honesty, transparency and accountability. In our view, good governance means managing our business well and engaging effectively with investors. We consider the practice of good governance to be an integral part of the way we manage the Company and we are committed to maintaining the highest standards of financial reporting, transparency and business integrity.

The Board is accountable to shareholders for the governance of the Company's affairs. The Directors have considered the principles and provisions of the 2019 AIC Code of Corporate Governance (AIC Code). The AIC Code addresses all the principles set out in the 2018 UK Corporate Governance Code (UK Code), as well as setting out additional principles and recommendations on issues that are of specific relevance to investment trusts.

The AIC Code is available from the Association of Investment Companies (www.theaic.co.uk). The UK Code is available from the Financial Reporting Council website (www.frc.org.uk).

This report, which forms part of the Directors' Report, explains how the Board deals with its responsibility, authority and accountability.

Compliance

The Board has made appropriate disclosures in this report to ensure that the Company meets its continuing obligations. It should be noted that, as an investment trust, the majority of the Company's day-to-day responsibilities are delegated to third parties, the Company has no employees, and the Directors are non-executive. Thus, not all provisions of the UK Code are directly applicable to the Company.

Throughout the year, the Company has complied with the recommendations of the AIC Code and provisions of the UK Code as applicable to investment trust companies, except the provisions relating to:

- the role of the chief executive; and
- the executive directors' remuneration.

For the reasons set out in the AIC Code of Corporate Governance, and as explained in the UK Code, the Board considers that these provisions are not relevant to the position of the Company being an externally managed investment company with no executive employees. In view of BlackRock having an internal audit function it does not consider it necessary for the Company to have its own internal audit function. The Board receives regular reports from BlackRock's internal audit function. In addition, BlackRock's internal audit department provides an annual presentation to the Audit Committee chairmen of the BlackRock investment trusts on the results of testing performed in relation to BlackRock's internal control processes.

As the Company has no employees and has a small Board of solely non-executive Directors, the Board has not established a separate remuneration committee. The remuneration of Directors is dealt with by the Board as a whole.

Information on how the Company has applied the principles of the AIC Code and the UK Code is provided in the Directors' Report as set out below:

Board composition

The Board currently consists of five non-executive Directors, all of whom are independent of the Company's Manager.

The UK Code recommends that the Board should appoint one of the independent non-executive Directors to be the senior independent director to provide a sounding board for the Chair and to serve as an intermediary for the other Directors when necessary. The Code states that the senior independent director should be available to shareholders if they have concerns which contact through the normal channels of chair, chief executive or other executive directors has failed to resolve or for which such contact is inappropriate.

The Board regularly considers its composition to ensure that it is suitably aligned with the objectives and activities of the Company. Further information on the Directors can be found in the Directors' Report on pages 50 to 57.

The Directors' biographies demonstrate a breadth of investment knowledge, business and financial skills which enables them to provide effective strategic leadership and proper governance of the Company. Details of the Chair's other significant time commitments can be found on page 31. Board composition is kept under review and when the need arises, care will be taken to ensure that the selected candidate has sufficient time to devote to the role. Independent external consultants are typically used to identify potential candidates.

Board policy on independence and tenure

The Board's independence, including that of the Chair, has been considered in detail, and all current Directors are deemed to be wholly independent. A number of factors were taken into account when making this assertion, including length of tenure, the individual contribution of each Director, the time spent on their other directorships and interests, and their ongoing commitment and enthusiasm to promote the long-term success of the Company, its shareholders and wider stakeholders.

The Board also takes into account the provisions of the UK Corporate Governance Code and evolving best practice when considering the independence criteria of the Board, its Committees and that of individual Directors. However, the Board does not believe that length of tenure should be the predominant factor in determining an individual's independence. The Board believes that the overarching objective should be to establish and maintain a board which has a range of tenure, skills and experience such that it can effectively discharge its duties and retain the benefits of corporate memory, while also benefiting from regular board refreshment, which inevitably brings new ideas, perspectives and, importantly, challenge to the status quo and accepted thinking.

However, mindful of the desirability of a combination of continuity and renewal, the Board has adopted a policy of limiting Directors' tenure to nine years. Subject to the constraints of effective succession planning, it is the Board's aim that no Director will serve on the Board for more than nine years; although in the case of the Chair, their tenure can be extended by up to two years in exceptional circumstances. The longer time limit for the Chair's tenure is to allow for continuity of leadership in circumstances where a Chair is appointed from the ranks of existing Board members after having already served on the Board for a period of time.

After due consideration and further to the annual evaluation process, the Board has concluded that all the Directors continue to be independent in both character and judgement and that there are no relationships or circumstances which are likely to affect the judgement of any Director. The Board believes that it would be in the Company's best interests for all the Directors to be proposed for re-election or election, given their material level of contribution. Details of the evaluation process are set out in the Corporate Governance Statement.

There were no contracts subsisting during or at the end of the year in which a Director of the Company is or was materially interested and which is or was significant in relation to the Company's business. None of the Directors is entitled to compensation for loss of office on the takeover of the Company. None of the Directors has a service contract with the Company.

The Directors' attendance record is set out in the Directors' biographies section on pages 31 to 33.

Board diversity policy

The Board recognises the benefits of diversity at Board level and believes that Directors should have a mix of different skills, experience and backgrounds. The Board's aim regarding diversity, including that of age, gender, educational and professional background and other broader diversity characteristics, is to take these into account during the recruitment and appointment process. However, the Board is committed to an objective of appointing the most appropriate candidate, regardless of gender or other forms of diversity.

A broad range of factors are taken into account when setting an appointment brief and during the search and selection process and have been applied during the recruitment and that all Board appointments must be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

As at 30 September 2024 the Board had a 40:60 male to female ratio. This is aligned to relevant regulation and best practice. The Board will continue to consider other diversity characteristics, such as age, ethnicity, gender, disability, educational or professional background when appraising Board composition.

Corporate governance statement
continued

The Board has complied with the recommendations of the Parker Review in respect of board diversity and the changes to the FCA's Listing Rules which set diversity targets and associated disclosure requirements for UK companies listed on the premium and standard segment of the London Stock Exchange. Listing Rule 9.8.6R (9) requires listed companies to include a statement in their annual reports and accounts in respect of certain targets on board diversity, or if those new targets have not been met to disclose the reasons for this. The Company has reported against these diversity targets for the year ending 30 September 2024. Further information on the composition and diversity of the Board and its Committees can be found in the disclosure table which follows below:

Gender	**Number of Board members**	**Percentage of Board**	**Number of senior roles held**[1]
Men	2	40	1
Women	3	60	2
Ethnicity[2,3]			
White British (or any other white background)	4	80	3
Other ethnic group, including Arab	1	20	0
Black/African/Caribbean/Black British	0	0	0
Mixed/Multiple Ethnic Groups Asian/Asian British	0	0	0

1 According to the Listing Rules, the Chair and Senior Independent Director are defined as senior positions. In addition, the Company considers that the role of the Audit and Management Engagement Chair is a senior position.

2 Categorisation of ethnicity is stated in accordance with the Office of National Statistics classification.

3 Columns corresponding to the 'Number in executive management' and 'Percentage of executive management' are not included in the table. These are inapplicable as the Company is externally managed and does not have executive management functions.

Succession planning
The rules concerning the appointment and replacement of Directors are contained in the Company's Articles and are set out in more detail in the Directors' Report on page 53. The Directors support a planned and progressive refreshment of the Board, and recognises the benefits of having a range of tenures on the Board. The Board's tenure and succession policy seeks to ensure that there is an appropriate balance of skills, knowledge, independence, experience and diversity on the Board. This is achieved through the regular evaluation of both the composition and performance of the Board and, where required, the appointment of new Directors who possess appropriate skills and experience and who are able to commit the necessary time to effectively carry out their duties. Further information in respect of Director tenure can be found in the Directors' Report on page 53.

Directors' training and induction
When a new Director is appointed to the Board, he or she is provided with all relevant information regarding the Company and their duties and responsibilities as a Director. In addition, a new Director will also spend some time with representatives of the Manager and the Investment Manager whereby he or she will become familiar with the various processes which the Manager and the Investment Manager consider necessary for the performance of their duties and responsibilities to the Company. The Company's policy is to encourage Directors to keep up to date and attend training courses on matters which are directly relevant to their involvement with the Company and its activities. The Directors also receive regular briefings from, amongst others, the Auditor and the Company Secretary regarding any proposed developments or changes in applicable law or regulation which could affect the Company and/or the Directors.

Directors' liability insurance
The Company has maintained appropriate Directors' Liability Insurance cover throughout the year.

Board's responsibilities
The Board's responsibilities are set out on page 30 along with information on the schedule of meetings held during the year. The Board may also convene additional meetings to consider strategy and other issues. There is regular contact with the Manager and the Investment Manager between meetings. A formal schedule of matters specifically reserved for decision by the Board has been defined. The Board is supplied in a timely manner with information in a form and of a quality appropriate

to enable it to discharge its duties. Strategic issues and all operational matters of a material nature are determined by the Board. The Directors also have access to the advice and services of the Company Secretary, who is responsible for ensuring that relevant procedures are followed and that it complies with applicable rules and regulations. Where necessary, in the furtherance of their duties, the Directors may seek independent professional advice at the expense of the Company.

The Board has responsibility for ensuring that the Company maintains proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and which enable it to ensure that the financial statements comply with the Companies Act 2006 and other applicable law and regulation. It is the Board's responsibility to present a fair, balanced and understandable assessment, which extends to interim and other price-sensitive public reports. The Board is also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Committees of the Board

Nomination committee

As the Board comprises only non-executive Directors it fulfils the function of the Nomination Committee and a separate committee has not been established.

The Board regularly reviews its structure and composition, including the balance of knowledge, independence, experience, skills and diversity on the Board. It also determines policy on succession planning and tenure. Appointments of new Directors are made on a formalised basis, with the Board agreeing the selection criteria and the method of search, selection, recruitment and appointment. The services of an external search consultant may be used to identify potential candidates.

An external recruitment firm, Odgers Berndtson, was engaged by the Board this year to identify candidates in the recruitment process that resulted in the appointment of Mr Dowidar. Odgers Berndtson is wholly independent of the Company.

Audit and management engagement committee

A separate Audit and Management Engagement Committee has been established and comprises the whole Board. Further details are given in the Report of the Audit and Management Engagement Committee on pages 70 to 75.

Remuneration committee

The Company's policy on Directors' remuneration, together with details of the remuneration of each Director, is detailed in the Directors' Remuneration Report and Remuneration Policy on pages 65 to 69. As stated in the Directors' Remuneration Policy, the full Board determines the level of Directors' fees and accordingly there is no separate Remuneration Committee. No Director is involved when his or her individual remuneration is determined.

Performance evaluation

The Board reviews its performance formally on an annual basis. An appraisal system has been agreed by the Board for the evaluation of the Board, its Committee and individual Directors, including the Chair. The evaluation for the year ended 30 September 2024 has been carried out. This took the form of self and peer group assessment followed by individual discussions between the Chair and individual Directors as required. The performance of the Chair was reviewed by the other Directors, led by Mr White. The results of the evaluation process were presented to and discussed by the Board and it was agreed that the current composition of the ongoing Board reflected a suitable balance of skills, experience, diversity and independence and that the Board, as a whole, continues to function effectively.

Delegation of responsibilities

The Board has delegated the following areas of responsibility:

Management and administration

The management of the investment portfolio and the administration of the Company have been delegated to BlackRock Fund Managers Limited (BFM) as the Company's AIFM, and BFM (with the permission of the Company) has delegated certain investment management and other ancillary services to BlackRock Investment Management (UK) Limited (BIM (UK)) (the Investment Manager). The contractual arrangements with, and assessment of, the Manager are summarised on page 51.
The Investment Manager, operating under guidelines determined by the Board, has direct responsibility for the decisions relating to the day-to-day running of the Company and is accountable to the Board for the investment, financial and operating performance of the Company.

Corporate governance statement
continued

The assets of the Company have been entrusted to the Depositary for safekeeping. The Depositary is The Bank of New York Mellon (International) Limited (BNY). The address at which this business is conducted is given on page 122.

The Board has delegated the exercise of voting rights attaching to the securities held in the portfolio to the Investment Manager. Details of the Investment Manager's voting policy are set out on pages 52 and 53.

Internal controls
The Board is responsible for establishing and maintaining the Company's systems of internal controls, for reviewing their effectiveness, for ensuring that financial information published or used within the business is reliable, and for regularly monitoring compliance with regulations governing the operation of investment trusts. The Board, through its Audit and Management Engagement Committee, reviews the effectiveness of the internal control systems on an ongoing basis to identify, evaluate and mitigate the Company's significant risks. As part of that process there are procedures designed to identify and evaluate any failings or weaknesses. Should a case be categorised by the Board as significant, procedures exist to ensure that necessary remedial action is taken. The Board is not aware of any significant failings or weaknesses arising in the year under review.

Control of the risks identified, covering financial, operational, compliance and risk management, is embedded in the operations of the Company. There is a monitoring and reporting process to review these controls, which has been in place throughout the year under review and up to the date of this report, carried out by BlackRock's corporate audit department. This accords with the Financial Reporting Council's "Risk Management, Internal Control and Related Financial Reporting".

The Company's risk register sets out the risks relevant to the Company and describes, where relevant, the internal controls that are in place at the AIFM, the Investment Manager and other third-party service providers to mitigate these risks.

The Audit and Management Engagement Committee (the Committee) formally reviews this register on a semi-annual basis and BFM as the Company's AIFM reports on any significant issues that have been identified in the period. In addition, BlackRock reports to the Committee on a semi-annual basis on the results of testing performed in relation to BlackRock's internal control processes. The Depositary also reviews the control processes in place at the Custodian, the Fund Accountant and the AIFM and reports formally to the Committee twice yearly. Both the AIFM and the Depositary will escalate issues and report to the Committee outside of these meetings on an ad-hoc basis to the extent that this is required. The Committee also receives annual and quarterly Service Organisation Control (SOC 1) reports respectively from BlackRock and The Bank of New York Mellon on the internal controls of their respective operations, together with the opinion of their reporting accountants.

The Board recognises that these control systems can only be designed to manage rather than eliminate the risk of failure to achieve business objectives, and to provide reasonable, but not absolute, assurance against material misstatement or loss, and relies on the operating controls established by the Manager, the Investment Manager and BNY. The Manager prepares revenue forecasts and management accounts which allow the Board to assess the Company's activities and review its performance. The Board and the Investment Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are submitted to the Board at each meeting.

The Company does not have its own internal audit function, as all the administration is delegated to the Manager. The Board monitors the controls in place through BlackRock's internal audit department and believes that there is currently no requirement for the Company to have its own internal audit function, although this matter is kept under review.

There are no agreements between the Company and its Directors concerning compensation for loss of office. Powers to issue or buy back the Company's shares, which are sought annually, and any amendments to the Company's Articles require a special resolution to be passed by shareholders.

Financial reporting
The Statement of Directors' Responsibilities in respect of the Annual Report and Financial Statements is set out on pages 76 and 77, the Independent Auditor's Report on pages 80 to 86 and the statement of Going Concern on page 53 and on longer-term viability on pages 42 and 43.

Socially responsible investment and ESG matters

Generally, investment trusts do not employ staff and accordingly have no direct impact on social matters but can be significant investors in the economies of the regions in which they invest. The Directors believe that it is in shareholders' interests to consider human rights issues and environmental, social and governance factors when selecting and retaining investments. Details of the Company's approach to socially responsible investment are set out on page 48.

Bribery prevention policy

The provision of bribes of any nature to third parties in order to gain a commercial advantage is prohibited and is a criminal offence. The Board has a zero tolerance policy towards bribery and a commitment to carry out business fairly, honestly and openly. The Board takes its responsibility to prevent bribery by the Company's Manager on its behalf very seriously and BlackRock has anti-bribery policies and procedures in place which are high level, proportionate and risk based. The Company's service providers have been contacted in respect of their anti-bribery policies and, where necessary, contractual changes are made to existing agreements in respect of anti-bribery provisions.

Criminal Finances Act

The Criminal Finances Act 2017 came into force on 25 May 2018 and introduced a new corporate criminal offence of "failing to take reasonable steps to prevent the facilitation of tax evasion". The Board has confirmed that it is the Company's policy to conduct all of its business in a transparent and ethical manner. The Board takes a zero-tolerance approach to facilitation of tax evasion.

Communication with shareholders

All shareholders have the opportunity to attend and vote at the AGM. The Notice of Annual General Meeting is sent out at least 21 days in advance of the meeting and sets out the business of the meeting and any item not of an entirely routine nature is explained in the Directors' Report on pages 55 and 56, separate resolutions are proposed for substantive issues.

In addition, regular updates on performance are available to shareholders and the Investment Manager will review the Company's portfolio and performance at the AGM, where the Board and representatives of the Investment Manager will be available to answer shareholders' queries. Proxy voting figures will be announced to shareholders at the AGM and will be made available on the Company's website at www.blackrock.com/uk/brfi shortly after the meeting. In accordance with the UK Corporate Governance Code, when, in the opinion of the Board, a significant proportion of votes have been cast against a resolution at any general meeting, the Board will explain, when announcing the results of voting, what actions it intends to take to understand the reasons behind the vote result.

The Company's willingness to enter into discussions with institutional shareholders is also demonstrated by the programmes of institutional presentations made by the Investment Manager. The Board discusses any feedback from meetings with shareholders with the Investment Manager at each Board meeting. It also receives reports from its corporate broker in relation to the views of shareholders and demand for the Company's shares.

There is also a clear channel of communication between the Board and the Company's shareholders via the Company Secretary. The Company Secretary has no express authority to respond to enquiries addressed to the Board and all communication, other than junk mail, is redirected to the Chair of the Board. There is also a section within this report entitled "Additional Information – Shareholder Information", on pages 123 to 125 which provides an overview of useful information available to shareholders. Should shareholders wish to contact the Chair, you can do so by emailing me at chairbrfi@blackrock.com or by writing to the Company Secretary at the address given on page 122.

The Company's accounts, regular factsheets and other information are also published on the BlackRock website at www.blackrock.com/uk/brfi. The work undertaken by the Auditor does not involve consideration of the maintenance and integrity of the website and, accordingly, the Auditor accepts no responsibility for any changes that have occurred to the accounts since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the accounts may differ from legislation in their jurisdiction.

Corporate governance statement
continued

Disclosure guidance and transparency rules
Other information required to be disclosed pursuant to the Disclosure Guidance and Transparency Rules has been placed in the Directors' Report on pages 50 to 57 because it is information which refers to events that have taken place during the course of the year. The following is a list of that information:

- substantial share interests;
- share capital;
- share issues;
- share repurchases; and
- greenhouse gas emissions.

In addition, information on Directors' shareholdings is given on pages 66 and 67 in the Directors' Remuneration Report and in the Directors' biographies which can be found on pages 31 to 33.

For and on behalf of the Board

KATRINA HART
Chair
4 December 2024

Contents

Directors' remuneration report

The Board presents the Directors' Remuneration Report for the year ended 30 September 2024 which has been prepared in accordance with Sections 420-422 of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The law requires the Company's Auditor to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report on pages 80 to 86.

Statement by the Chair

A key driver of the remuneration policy is that fees payable to Directors should be designed to support the strategy and the long-term success of the Company. Following this review it was agreed that with effect from 1 October 2024 all Directors' fees would be increased to the levels set out in the policy table on page 69. The basis for determining the level of any change in Directors' remuneration is set out in the Directors' Remuneration Policy on pages 68 and 69. Directors' fees were last increased on 1 October 2023. No discretionary fees have been paid to Directors during the year or since inception and the payment of such fees is expected to be a rare occurrence, only necessary in exceptional circumstances. Any discretionary fees paid to the Directors will be clearly disclosed in the Directors' Remuneration Report accompanied by an explanation of the work undertaken and why it was deemed necessary to pay such additional remuneration.

Remuneration committee

The Board as a whole fulfils the function of the Remuneration Committee and considers any change in the Directors' remuneration policy. A separate Committee has therefore not been established. The Company's Directors are all non-executive and are independent of the Manager. No advice or services were provided by any external agencies or third parties.

Implementation of the remuneration policy in the year 2024

The Remuneration Policy has been implemented as set out on pages 68 and 69. The Directors do not receive any performance related remuneration or incentives. Discretionary payments are permitted under the policy; however, such discretionary payments would only be considered in exceptional circumstances.

Remuneration/service contracts

The maximum remuneration of the Directors is determined within the limits of the Company's Articles and currently amounts in aggregate to £250,000.

The Company does not and has not awarded any share options or long-term performance incentives to any of the Directors. None of the Directors has a service contract with the Company or receives any non-cash benefits or pension entitlements. The terms of their appointment are detailed in an appointment letter issued to them when they join the Board. These letters are available for inspection at the registered office of the Company.

Remuneration implementation report

A single figure for total remuneration of each Director is set out in the table below for the year ended 30 September 2024:

	Year ended 30 September 2024			Year ended 30 September 2023		
Directors	**Base Salary**	**Taxable benefits[1]**	**Total**	**Base Salary**	**Taxable benefits[1]**	**Total**
	£	**£**	**£**	**£**	**£**	**£**
Katrina Hart (Chair)[2]	39,792	–	39,792	30,500	86	30,586
Stephen White (Audit and Management Engagement Committee Chairman)	36,750	–	36,750	35,000	–	35,000
Elisabeth Airey	32,000	–	32,000	30,500	–	30,500
Lucy Taylor-Smith	32,000	–	32,000	30,500	153	30,653
Hatem Dowidar[5]	20,690	4,262	20,690	–	–	–
Audley Twiston-Davies[3]	15,430	–	15,430	42,000	–	42,000
Sarmad Zok[4]	11,222	–	11,222	30,500	–	30,500
Total	**187,884**	**4,262**	**192,146**	**199,000**	**239**	**199,239**

1 Taxable benefits relate to travel and subsistence costs.

2 Appointed as Chair on 6 February 2024.

3 Retired as Chairman and a Director on 6 February 2024.

4 Retired as a Director on 6 February 2024.

5 Appointed as a Director on 7 February 2024.

There were no discretionary payments made during the year.

Directors' remuneration report
continued

The information in the table on the previous page has been audited. The amounts paid by the Company to the Directors were for services as non-executive Directors. The Directors receive no variable remuneration.

At 30 September 2024, fees of US$20,000 (£15,000) (2023: US$20,000 (£17,000)) were outstanding to Directors in respect of their annual fees.

Relative importance of spend on pay
As the Company has no employees, the table above also comprises the total remuneration costs and benefits paid by the Company. To enable shareholders to assess the relative importance of spend on pay, this has been shown in the table below compared to the Company's net profit on ordinary activities after taxation, total operating expenditure and dividend distributions.

	2024	2023	Change
Directors' total remuneration	£192,146 (US$258,000)	£199,239 (US$243,000)	-£7,093 (+US$15,000)
Total dividends paid and payable	US$17,984,000	US$13,914,000	US$4,070,000
Net revenue profit on ordinary activities after tax	US$18,884,000	US$15,872,000	+US$3,012,000

No payments were made in the period to any past Directors (2023: £nil).

Annual percentage change in Directors' Remuneration
The following table sets out the annual change in Directors' fees for the year to 30 September 2024:

Katrina Hart (Chair)[1]	30.5%
Stephen White (Audit & Management Engagement Committee Chairman)	5.0%
Elisabeth Airey	4.9%
Lucy Taylor-Smith	4.9%
Hatem Dowidar[2]	n/a

1 Mrs Hart's Directors' fee rose following her appointment as Chair with effect from 6 February 2024.
2 Appointed with effect from 7 February 2024.

Five year change comparison
Over the last five years, Directors' pay has increased as set out in the table below:

	2024 £	2019 £	Change
Chair	44,000	37,000	18.9%
Audit and Management Engagement Committee Chairman	36,750	31,000	18.5%
Director	32,000	27,000	18.5%

As previously noted, the Company does not have any employees and hence no comparisons are given in respect of the comparison between Directors' and employees' pay increases.

Shareholdings
The interests of the Directors in the ordinary shares as at 30 September 2024 of the Company are set out in the table on the following page. The Company does not have a share option scheme, therefore none of the Directors has an interest in any share options in the Company. There is no requirement for Directors to hold shares in the Company.

	As at 2 December 2024	2024	2023
Katrina Hart (Chair)	48,560[1]	48,560[1]	39,789[2]
Stephen White	30,000	30,000	30,000
Elisabeth Airey	75,000	75,000	75,000
Lucy Taylor-Smith	30,852[3]	10,122	nil
Hatem Dowidar[4]	25,000	nil	n/a
Audley Twiston-Davis[5]	n/a	nil	128,935
Sarmad Zok	n/a	n/a	nil

1 11,546 ordinary shares are held on behalf of Katrina Hart's dependents.
2 9,780 ordinary shares are held on behalf of Katrina Hart's dependents.
3 20,730 ordinary shares are held on behalf of Lucy Taylor-Smith's dependents.
4 Appointed with effect from 7 February 2024.
5 Retired as Chairman and a Director on 6 February 2024.

The information in the above table has been audited.

All of the holdings of the Directors are beneficial.

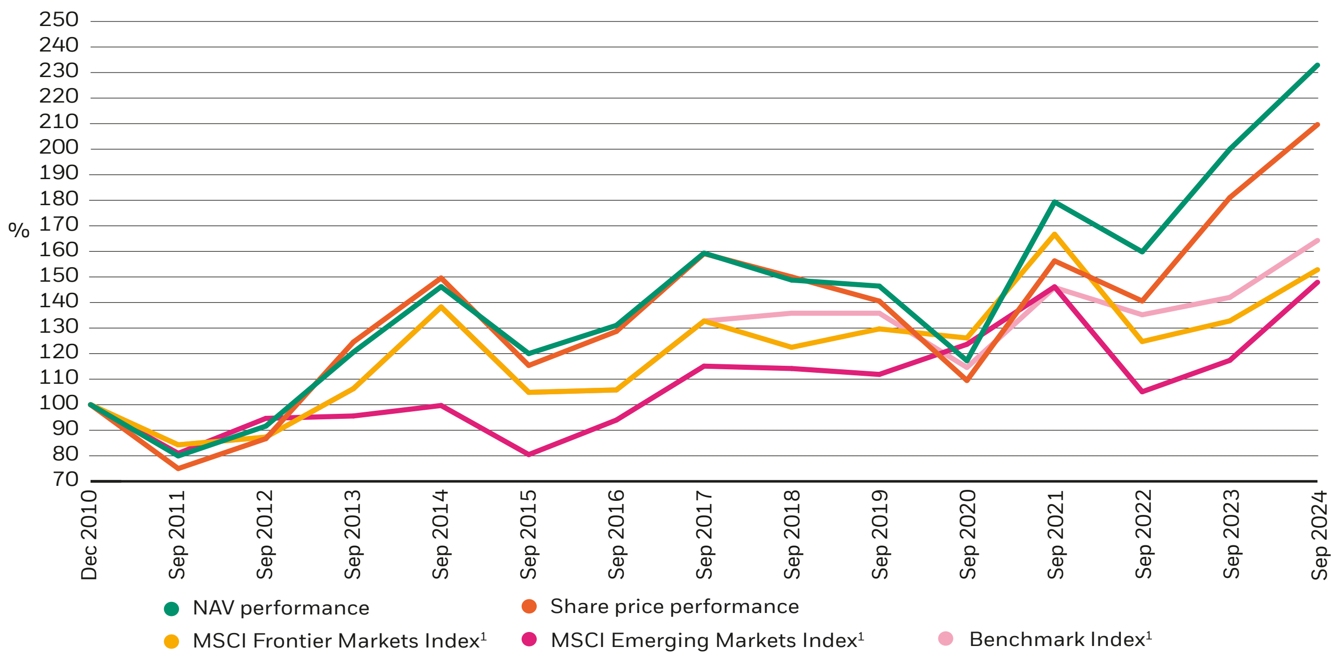
Retirement of directors

Further details are given in the Directors' Report on page 53.

Performance

The graph below compares the Company's NAV and share price total returns with the total return on an equivalent investment in the Benchmark Index. This Index is deemed to be the most appropriate as the Company has a frontier markets objective.

Performance since inception on 17 December 2010 to 30 September 2024



1 With effect from 1 April 2018, the Benchmark Index changed to a composite of the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets Index. Prior to 1 April 2018, the Benchmark Index was the MSCI Frontier Markets Index. The performance of the Benchmark Index during the period from 1 April 2018 to 30 September 2023 has been blended to reflect this change. Benchmark return index calculate the reinvestment of dividends net of withholding taxes.

Sources: BlackRock and LSEG Datastream.

All performance figures calculated on a US Dollar basis with dividends reinvested, rebased to 100 at 17 December 2010.

For and on behalf of the Board

KATRINA HART
Chair
4 December 2024

Directors' remuneration policy

Directors' remuneration policy

In setting the appropriate level of Directors' fees, a number of factors are considered, including the workload of the Directors, their responsibilities, any change in these responsibilities and additional legal duties (for example as a result of new legislation being implemented), the relationship with their suppliers and the size and complexity of the Company. The time commitment required, the level of skills and appropriate experience required and the need for Directors to maintain on an ongoing basis an appropriate level of knowledge of regulatory and compliance requirements in an industry environment of increasing complexity are also taken into account.

The Board also considers the average rate of inflation during the period since the last fee increase and reviews the level of remuneration in comparison with other investment trusts of a similar size and/or mandate, as well as taking account of any data published by the Association of Investment Companies to ensure that fees are in line with industry practice. This comparison, together with consideration of any alteration in non-executive Directors' responsibilities, is used to review whether any change in remuneration is necessary. The review is performed on an annual basis. The Board is cognisant of the need to avoid any potential conflicts of interest and has therefore agreed a mechanism by which no Director is involved when his or her own pay is being considered.

The Company has no employees and consequently no consideration is required to be given to employment conditions elsewhere in setting this policy and there has been no employee consultation.

No element of the Directors' remuneration is performance related or subject to recovery or withholding (except for tax). Directors cannot be awarded any share options or long-term performance incentives. None of the Directors has a service contract with the Company or receives any non-cash benefits (except as described in the policy table), pension entitlements or compensation for loss of office.

Any discretionary fees paid to the Directors will be clearly disclosed in the Directors' Remuneration Report accompanied by an explanation of the work undertaken.

The remuneration policy would be applied when agreeing the remuneration package of any new Director. The terms of Directors' appointment are detailed in a letter sent to them when they join the Board. These letters are available for inspection at the registered office of the Company.

Directors' appointments do not have a fixed duration, but they can be terminated by the Company in writing at any time without obligation to pay compensation. On termination of the appointment, Directors shall only be entitled to accrued fees as at the date of termination together with reimbursement of any expenses properly incurred prior to that date. No payments for loss of office are made. Directors are also subject to re-election at least every three years and, if not elected, their appointment ceases immediately. However, in accordance with the UK Corporate Governance Code the Board have agreed that all Directors will, being eligible, stand for re-election annually.

Any discretionary fees paid to the Directors will be clearly disclosed in the Directors' Remuneration Report accompanied by an explanation of the work undertaken. No discretionary fees have been paid to Directors since the Company's inception and none are envisaged in future reporting periods.

Consideration of shareholders' views

In accordance with applicable law and regulation, an ordinary resolution to approve the remuneration report is put to shareholders at each AGM, and shareholders have the opportunity to express their views and raise any queries in respect of remuneration policy at this meeting. To date, no shareholders have commented in respect of the Company's Remuneration Policy. The Company obtained shareholder approval for its remuneration policy at the AGM in 2023. In accordance with the Companies Act 2006, the remuneration policy is subject to a triennial binding shareholder vote at the forthcoming AGM in 2026. At the Company's AGM held on 7 February 2023, 99.81% (including votes cast at the Chair's discretion) were in favour of the resolution to approve the Directors' Remuneration Policy and 0.19% of votes cast were against.

At the Company's AGM held on 6 February 2024, 99.77% of votes cast were in favour of the resolution to approve the Directors' Remuneration Report and 0.23% of votes cast were against.

Policy table

Purpose and link to strategy	Fees payable to Directors should be sufficient to attract and retain individuals of high calibre who possess knowledge and experience suitably aligned to the activities of the Company. Those chairing the Board and key committees should be paid higher fees than other Directors in recognition of their more demanding roles. Fees should reflect the time spent by Directors on the Company's affairs and the responsibilities borne by the Directors.
Description	Current levels of fixed annual fee with effect from 1 October 2024: Chair – £46,200 Audit and Management Engagement Committee Chairman – £38,600 Directors – £33,600 All reasonable expenses to be reimbursed.
Maximum and minimum levels	Remuneration consists of a fixed fee each year, set in accordance with the stated policies and any increase granted must be in line with the stated policies. The Company's Articles of Association provide that the Directors are paid fees for their services not exceeding in the aggregate an annual sum of £250,000 or such larger amount as the Company may by Ordinary Resolution decide divided between the Directors as they agree. In addition, the Directors propose a limit of £50,000 in relation to the maximum that may be paid in respect of taxable benefits.
Policy on share ownership	Directors are not required to own shares in the Company, although all Directors who served during the financial year are currently shareholders.
Fixed fee element	The Board reviews the quantum of Directors' pay each year to ensure this is in line with the level of Directors' remuneration for other investment trusts of a similar size and complexity. When making recommendations for any changes in pay, the Board considers wider factors such as the average rate of inflation over the period since the previous review, and the level and any change in complexity of the Directors' responsibilities (including additional time commitments as a result of increased regulatory or corporate governance requirements). Directors are not eligible to be compensated for loss of office, nor are they eligible for bonuses, pension benefits, share options or other incentives or benefits. Directors do not have service contracts but are appointed under letters of appointment.
Discretionary Payments	The Company's Articles authorise the payment of discretionary fees to Directors for any additional work undertaken on behalf of the Company which is outside of their normal duties. Any such extra work undertaken is subject to the prior approval of the Chair or, in the case of the Chair undertaking the extra work, subject to the prior approval of the Chairman of the Audit and Management Engagement Committee. The level of discretionary fees shall be determined by the Directors. Any discretionary fees paid will be disclosed in the Director's remuneration implementation report within the Annual Report. The payment of such fees would only be considered in exceptional circumstances and any discretionary fees paid will be clearly disclosed. No discretionary payment has ever been made by the Company to its Directors.
Taxable benefits	Taxable benefits comprise expenses incurred by the Directors in the course of travel to attend Board and Committee meetings which are held at the Company's registered offices in London, and which are reimbursed by the Company and therefore treated as a benefit in kind and are subject to tax and national insurance. The Company's policy in respect of this element of remuneration is that all reasonable costs of this nature will be reimbursed as they are incurred.

Report of the audit and management engagement committee

As Chairman of the Audit and Management Engagement Committee I am pleased to present the Committee's report to shareholders for the year ended 30 September 2024.

Role and responsibilities

The Company has established a separately chaired Audit and Management Engagement Committee ("the Committee"). The Committee meets at least twice a year, prior to the Board meetings to approve the half yearly and annual results. The Committee does not consider that as an investment trust company it is necessary to hold an additional meeting during the year, although this is kept under review.

The Committee's principal duties are set out below and include considering, and recommending to the Board for approval, the contents of the half yearly and annual financial statements and providing an opinion as to whether the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance and position, business model and strategy. It is also responsible for assessing the adequacy of the Company's internal financial controls, systems of internal control and risk management and receives regular reports from the Manager's corporate audit and compliance departments and from other key third party service providers during the year. The Committee also has primary responsibility for managing the relationship with the external auditor, including the assessment of the external auditor's ongoing independence and objectivity.

All of the Directors are members of the Committee and their biographies can be found on pages 31 to 33. The Board considers that at least one member of the Committee has recent and relevant financial experience and has specific competence in accounting and/or auditing. The Committee as a whole has competence relevant to the sector in which the Company operates. As permitted by the AIC Code of Corporate Governance, the Chairman of the Company is a member of the Committee to enable him to be kept fully informed of any issues which may arise.

The Committee operates within written terms of reference detailing its scope and duties and these are available on the Company's website at www.blackrock.com/uk/brfi. In accordance with these duties, the principal activities of the Committee during the year are set out below.

Internal controls, financial reporting and risk management systems

- monitoring and assessing the adequacy and effectiveness of the Company's internal financial controls and the internal control and risk management systems;
- seeking reasonable assurance that such systems meet relevant legal and regulatory requirements;
- monitoring the integrity of the financial statements;
- reviewing the consistency of, and any changes to, accounting policies;
- reviewing the Half Yearly and Annual Report and Financial Statements to ensure that the Company's results and financial position are represented accurately and fairly to shareholders;
- evaluating the need for an internal audit function;
- reviewing semi-annual reports from the Manager on its activities as AIFM;
- reviewing semi-annual reports from the Depositary on its activities; and
- reviewing arrangements by which staff of the Manager may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

Narrative reporting

- reviewing the content of the Annual Report and Financial Statements and, where requested by the Board, providing an opinion on whether, taken as a whole, they are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Management engagement

- reviewing the performance of the Manager during the year, both on an absolute and relative basis;
- reviewing all services provided to the Company by the Manager;
- reviewing the investment management agreement to ensure the terms are appropriate and remain competitive;
- satisfying itself that the continuing appointment of the Manager is in the interests of shareholders as a whole; and
- considering the appropriateness of the remuneration of the Manager.

Third party service providers

- considering the appointment of other third party service providers; and
- ensuring that third party service providers comply with the terms of their agreements and that the provisions of such agreements remain both appropriate and competitive.

Reporting responsibilities

- reporting to the Board on its proceedings and how it has discharged its responsibilities, making whatever recommendations it deems appropriate on any area within its remit; and
- compiling a report on its activities to be included in the Annual Report and Financial Statements.

Internal audit

- considering the need for an internal audit function, as set out in the Corporate Governance Statement on page 62.

Due to the nature of the Company, being an externally managed investment company with no employees, and in view of BlackRock having an internal audit function which reports to the Audit and Management Engagement Committee, the Company does not have its own internal audit function.

External audit

The Committee has primary responsibility for assessing the effectiveness of the external audit process and for making recommendations to the Board on the appointment, reappointment or removal of the external auditor. It considers the planning, scope, quality of performance, cost effectiveness and independence of the external auditor. The Committee reviews and approves the external audit plan in advance of the audit and throughout the year and ensures that any non-audit services proposed to be performed by the external auditor are in accordance with the Company's policy on the provision of non-audit services. The Company's non-audit services policy is set out in full in the Committee's terms of reference which are available at the Company's website at: www.blackrock.com/uk/brfi. The external audit plan includes an analysis of the key audit risks and calculations of audit materiality, which the Committee considers in forming its assessment of key risks to the Company's financial statements.

The Committee considers the quality of the audit plan, subsequent execution and composition of the audit team in formulating its recommendation to the Board regarding the reappointment of the external auditor. Length of tenure and independence (with due regard to the level of non-audit services) are considerations underpinning this assessment, which is carried out within the framework laid down by The Statutory Auditors and Third Country Auditors (amendment) (EU Exit) Regulations 2019 (as amended) on auditor rotation that is supplemented by application guidance from the UK's Financial Reporting Council.

Further information on the external audit is reported under 'Assessment of the effectiveness of the external audit process' on pages 74 and 75. The fees paid to the external Auditor are set out in note 5 on pages 96 and 97.

Whistleblowing policy

The Committee has also reviewed and accepted the "whistleblowing" policy that has been put in place by BlackRock under which its staff, in confidence, can raise concerns about possible improprieties in matters of financial reporting or other matters, in so far as they affect the Company.

United Kingdom Single Electronic Format regulatory technical standard (UKSEF)

We paid special attention to the preparation of our financial statements in digital form under the UKSEF taxonomy and regulatory technical standard. As this was the first report in this format, we made sure the necessary procedures had been completed by all parties, including the technical accounting team of the Manager, our fund accountants, The Bank of New York Mellon and a specialist information technology provider.

Report of the audit and management engagement committee continued

Significant issues considered regarding the Annual Report and Financial Statements

During the year, the Committee considered a number of significant issues and areas of key audit risk in respect of the Annual Report and Financial Statements. The Committee reviewed the external audit plan at an early stage and concluded that the appropriate areas of audit risk relevant to the Company had been identified in the audit plan and that suitable audit procedures had been put in place to obtain reasonable assurance that the financial statements as a whole would be free of material misstatements. The following table sets out the key areas of risk identified by the Committee and also explains how these were addressed by the Committee.

Significant issue

The accuracy of the valuation of the investment portfolio.

How the issue was addressed

Listed investments are valued using stock exchange prices by third party vendors. Long and short CFD positions are valued by reference to the stock exchange prices of securities underlying the respective securities and the notional transaction prices. Unquoted or illiquid investments, if any, are valued by the Directors based on recommendations from BlackRock's Pricing Committee. The Board reviews detailed portfolio valuations on a regular basis throughout the year and receives confirmation from BlackRock that the pricing basis is appropriate, in line with relevant accounting standards as adopted by the Company, and that the carrying values are materially correct. The Board also relies on BlackRock's and the Fund Accountant's (BNY) controls which are documented in semi-annual internal control reports and reviewed by the Committee.

Significant issue

The risk of misappropriation of assets and unsecured ownership of investments.

How the issue was addressed

The Depositary is responsible for financial restitution for loss of financial investments held in custody. The Depositary reports to the Audit and Management Engagement Committee on a twice-yearly basis and is also available to attend the Company's AGM.

The Committee reviews reports from its service providers on key controls over the assets of the Company. Any significant issues are reported by the Manager to the Committee. The Manager has put in place procedures to ensure that investments can only be made to the extent that the appropriate contractual and legal arrangements are in place to protect the Company's assets. BlackRock's New Market Opening Committee reports regularly to the Board on the status of opening of new markets and any potential risks and exposures that might arise as a result.

Significant issue

The accuracy of the calculation of management and performance fees.

How the issue was addressed

The Manager reports to the Board on the calculation of any performance fee accruals that have been included in the Company's NAV on a regular basis. The management fee and any performance fee are calculated in accordance with the contractual terms in the investment management agreement by the administrator and are reviewed in detail by the Manager and are also subject to an analytical review by the Board. During the year, the Directors performed a detailed review of the calculation of the performance fee mechanism. There are review processes performed by BNY and the Manager on the calculation of the management fee and any performance fee to ensure that they are correctly calculated. The auditors also audit the calculation of the management fee and any performance fee as part of their annual audit of the Company's financial statements.

Significant issue

The risk that income is overstated, incomplete or inaccurate through failure to recognise proper income entitlements or to apply the appropriate accounting treatment for recognition of income.

How the issue was addressed

The Committee reviews income forecasts and receives explanations from the Investment Manager for any variations or significant movements from previous forecasts and prior year figures. The Committee also reviews the facts and circumstances of all special dividends to determine the revenue/capital treatment. There are review processes performed by BNY and the Manager on the completeness and accuracy of income, and also that this has been recognised in accordance with stated accounting policies.

Significant issue

The risk that the global economic disruption caused by the war in Ukraine and the hostilities in the Middle East will affect the Company's ability to continue in operation due to the impact on market valuations of portfolio companies or the ability of key service providers (including the Manager, the Depositary, the Custodian, the Fund Accountant and Brokers) to maintain business continuity and continue to provide appropriate service levels.

How the issue was addressed

The Committee has considered the impact of market volatility related to the war in Ukraine and the more recent hostilities in the Middle East on the Company's portfolio and received regular reports from the Investment Manager. The Committee has also reviewed portfolio liquidity and updated revenue and expense forecasts in light of the Ukraine conflict and their impact on portfolio liquidity, income and market valuations and considers that the Company's business model remains viable and that the Company has sufficient resources to continue in operation and to meet all liabilities as they fall due.

The Committee keeps the Company's principal risks and uncertainties under review and is confident that the Company has appropriate controls and processes in place to manage these risks and to maintain its operating model. The Committee has also received updates from key service providers in respect of their business continuity plans and is confident that they will be able to continue to provide a good level of service for the foreseeable future.

Third party service providers

The provision of portfolio valuation, fund accounting and administration services is delegated to BIM (UK), which sub-delegates fund accounting to a third party service provider, BNY. The Committee has also reviewed the Service Organisation Control (SOC 1) reports prepared by BlackRock, the Custodian and the Fund Accountant to ensure that the relevant control procedures are in place to cover these areas of risk as identified above and are adequate and appropriate and have been designated as operating effectively by the reporting auditor.

Auditor and audit tenure

The Company's Auditor, Ernst & Young LLP, was appointed on the launch of the Company in 2010. The Committee has considered the risks associated with audit firms withdrawing from the market and the relationship with the Company's Auditor. The appointment of the Auditor is reviewed each year and the audit partner rotates at least every five years. Mr Price has been the Company's audit partner since 2021.

The Company carried out a formal tender process in 2020 in respect of the year ended 30 September 2021. Following this and on the recommendation of the Company's audit committee, the Board unanimously decided to re-appoint Ernst & Young LLP as Auditors on the evaluation of each of the firms interviewed, taking into account a broad range of evaluation criteria.

The Committee is satisfied that the Company has complied with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014, published by the Competition and Markets Authority on 26 September 2014. In recognition of underlying audit rotation requirements, the Committee currently intends that a further tender process will be undertaken during the year to 30 September 2029 to cover the financial year ending 30 September 2030 onwards. The Committee will continue to review the Auditor's appointment each year to ensure that the Company is receiving an optimal level of service.

Report of the audit and management engagement committee continued

The legislation also prohibits certain non-audit and audit related services, consulting services and caps the amount of additional fees auditors can charge their clients. There are no contractual obligations that restrict the Company's choice of auditor. For the year ended 30 September 2024, the ratio of non-audit fees to audit fees was 0.14:1 (2023: 0.13:1) The fees paid to the Auditor in respect of other assurance services relating to the review of the Half Yearly Report amounted to £7,100 (US$10,000) (2023: £7,100 (US$9,000)). The value is considered to be immaterial and was not such that it might threaten the Auditor's independence. No other non-audit or audit related services were provided to the Company by the Auditor during the year. Further details can be found in note 5 to the financial statements on pages 96 and 97.

The Auditor has indicated its willingness to continue in office and the Audit and Management Engagement Committee has recommended to the Board that it be reappointed. Resolutions proposing its reappointment and authorising the Audit and Management Engagement Committee to determine its remuneration for the ensuing year will be proposed at the forthcoming AGM.

Assessment of the effectiveness of the external audit process

To assess the effectiveness of the external audit, members of the Committee work closely with BlackRock to obtain a good understanding of the progress and efficiency of the audit. The Committee has adopted a formal framework in its review of the effectiveness of the external audit process and audit quality. This includes a review of the following areas:

- the quality of the audit engagement partner and the audit team;
- the expertise of the audit firm and the resources available to it;
- identification of areas of audit risk;
- planning, scope and execution of the audit;
- consideration of the appropriateness of the level of audit materiality adopted;
- the role of the Committee, the Manager, the Investment Manager and third party service providers in an effective audit process;
- communications by the Auditor with the Committee;
- how the Auditor supports the work of the Committee and how the audit contributes added value;
- monitor and review the supply of non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- a review of the independence and objectivity of the audit firm; and
- an assessment of the quality of the formal audit report to shareholders.

Feedback in relation to the audit process and the effectiveness of the Manager in performing its role is also sought from relevant involved parties, notably the audit partner and team. The Auditor attends the Committee meetings on at least one occasion at which they have the opportunity to meet with the Committee without representatives of the Manager being present. The effectiveness of the Board and the Manager in the external audit process is assessed principally in relation to the timely identification and resolution of any process errors or control breaches that might impact the Company's net asset values and accounting records. It is also assessed by reference to how successfully any issues in respect of areas of accounting judgement are identified and resolved, the quality and timeliness of papers analysing these judgements, the Board and the Manager's approach to the value of independent audit and the booking of any audit adjustments arising, and the timely provision of draft public documents for review by the Auditor and the Committee.

To form a conclusion with regard to the independence of the Auditor, the Committee considers whether the skills and experience of the Auditor make them a suitable supplier of non-audit services and whether there are safeguards in place to ensure that there is no threat to their objectivity and independence in the conduct of the audit resulting from the provision of any such services.

On a semi-annual basis, Ernst & Young LLP reports the independence of its relationship with the Company and reports to the Committee, providing details of any other relationship with BlackRock. As part of this review, the Committee also receives information about policies and processes for maintaining independence and monitoring compliance with relevant requirements from the Company's Auditor, including information on the rotation of audit partners and staff, the level of fees that the Company pays in proportion to the overall fee income of the firm, and the level of related fees, details of any relationships between the audit firm and its staff and the Company as well as an overall confirmation from the Auditor of its independence and objectivity.

As a result of their review, the Committee has concluded that Ernst & Young LLP is independent of the Company and therefore it has made a recommendation to the Board that it be reappointed.

Conclusions in respect of the Annual Report and Financial Statements

The production and the audit of the Company's Annual Report and Financial Statements is a comprehensive process requiring input from a number of different contributors. In order to reach a conclusion that the Annual Report and Financial Statements are fair, balanced and understandable, the Board has requested that the Committee advise on whether these criteria are satisfied. In so doing, the Committee has given consideration to the following:

- the comprehensive control framework over the production of the Annual Report and Financial Statements, including the verification processes in place to deal with the factual content;

- the extensive levels of review that are undertaken in the production process of the Annual Report and Financial Statements by BlackRock, the Depositary and the Committee, applying its knowledge and expertise of the investment industry and frontier markets sector;

- the controls that are in place at BlackRock and third party service providers to ensure the completeness and accuracy of the Company's financial records and the security of the Company's assets; and

- the existence of satisfactory Service Organisation Control Reports that have been reviewed and reported on by the external Auditor to verify the effectiveness of the internal controls of BlackRock, Depositary, Custodian and Fund Accountant.

In addition to the work outlined above, the Committee has reviewed the Annual Report and Financial Statements and is satisfied that, taken as a whole, they are fair, balanced and understandable and provide shareholders with the information necessary to assess the Company's position and performance, business model and strategy. In reaching this conclusion, the Committee has assumed that the reader of the Annual Report and Financial Statements would have a reasonable level of knowledge of the investment companies sector.

The Committee has reported on these findings to the Board who affirm the Committee's conclusions in the Statement of Directors' Responsibilities in respect of the Annual Report and Financial Statements on pages 76 and 77.

STEPHEN WHITE
Chairman of the Audit and Management Engagement Committee
4 December 2024

Statement of Directors' responsibilities in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report, the Directors' Remuneration Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors are required to prepare the financial statements in accordance with UK-adopted International Accounting Standards (IAS). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- present fairly the financial position, financial performance and cash flows of the Company;
- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IAS, subject to any material departures disclosed and explained in the financial statements;
- provide additional disclosures when compliance with the specific requirements in IAS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Directors are also responsible for preparing the Strategic Report, the Directors' Report, the Directors' Remuneration Report, Corporate Governance Statement and the Report of the Audit and Management Engagement Committee in accordance with the Companies Act 2006 and applicable regulations, including the requirements of the Listing Rules and the Disclosure Guidance and Transparency Rules. The Directors have delegated responsibility to the Investment Manager and the AIFM for the maintenance and integrity of the Company's corporate and financial information included on BlackRock's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, who were appointed as at the date of the Annual Report, confirms to the best of their knowledge that:

- the financial statements, which have been prepared in accordance with IAS, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the Strategic Report contained in the Annual Report and Financial Statements includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

The 2018 UK Corporate Governance Code also requires Directors to ensure that the Annual Report and Financial Statements are fair, balanced and understandable. In order to reach a conclusion on this matter, the Board has requested that the Audit and Management Engagement Committee advise on whether it considers that the Annual Report and Financial Statements fulfil these requirements. The process by which the Committee has reached these conclusions is set out in the Audit and Management Engagement Committee's report on pages 70 to 75 of this Annual Report. As a result, the Board has concluded that the Annual Report and Financial Statements for the year ended 30 September 2024, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

For and on behalf of the Board

KATRINA HART
Chair
4 December 2024

Financial statements

We saw evidence of re-shoring across various sectors when we visited Malaysia in July, facilitated by the availability of affordable land, power capacity and skilled labour in the country.

Independent auditor's report

to the members of BlackRock Frontiers Investment Trust plc

Opinion

We have audited the financial statements of BlackRock Frontiers Investment Trust plc ("the Company") for the year ended 30 September 2024 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Cash Flow Statement and the related notes 1 to 20, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted International Accounting Standards.

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 September 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company and we remain independent of the Company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Confirmation of our understanding of the Company's going concern assessment process and engagement with the Directors and the Company Secretary to determine if all key factors were considered in their assessment.
- Inspection of the Directors' assessment of going concern, including the revenue forecast, for the period to 30 September 2026. In preparing the revenue forecast, the Company has concluded that it is able to continue to meet its liabilities as they fall due.
- Review of the factors and assumptions, including the impact of the current economic environment, as applied to the revenue forecast and the liquidity assessment of the investments. We considered the appropriateness of the methods used to be able to make an assessment of the Company.
- Consideration of the mitigating factors included in the revenue forecasts that are within control of the Company. We reviewed the Company's assessment of the liquidity of investments held and evaluated the Company's ability to sell those investments to cover working capital requirements should revenue decline significantly.

Review of the Company's going concern disclosures included in the Annual Report in order to assess that the disclosures were appropriate and in conformity with the reporting standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period to 30 September 2026, which is at least twelve months from the date the financial statements were authorised for issue.

In relation to the Company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

Overview of our audit approach

Key audit matters	• Risk of incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital items in the Statement of Comprehensive Income. • Risk of incorrect calculation of the performance fee. • Risk of incorrect valuation or ownership of the investment portfolio and derivatives.
Materiality	• Overall materiality of \$4.06m (2023: \$3.64m) which represents 1% (2023: 1%) of the Company's shareholders' funds.

An overview of the scope of our audit

Tailoring the scope

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for the Company. This enables us to form an opinion on the financial statements. We take into account size, risk profile, the organisation of the Company and effectiveness of controls, the potential impact of climate change and changes in the business environment when assessing the level of work to be performed. All audit work was performed directly by the audit engagement team.

Climate change

There has been increasing interest from stakeholders as to how climate change will impact companies. The Directors have stated that they are cognisant of the long-term risk to performance from inadequate attention to Environmental, Social and Governance (ESG) issues, and in particular the impact of climate change. These are explained in the principal risks included in the Strategic Report (pages 38 to 42), which form part of the "Other information," rather than the audited financial statements. Our procedures on these disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated.

Our audit effort in considering climate change was focused on the adequacy of the Company's disclosures in the financial statements as set out in Note 2a and conclusion that there was no material impact of climate change on the valuation of investments. We also challenged the Directors' considerations of climate change in their assessment of going concern and viability and associated disclosures.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit and Management Engagement Committee
Risk of incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital items in the Statement of Comprehensive Income *Refer to the Report of the Audit and Management Engagement Committee (page 73); Accounting policies (pages 92 to 94); and Note 3 of the Financial Statements (page 95).* The total investment income for the year to 30 September 2024 was \$20.66m (2023: \$17.40m), consisting primarily of dividend income from overseas listed investments. Net income from contracts for difference ("CFD") amounted to \$2.43m (2023: \$1.99m). During the year, the Company received special dividends amounting to \$0.91m, of which \$0.91m was classified as revenue and \$nil as capital (2023: \$1.60m, of which \$1.01m was classified as revenue and \$0.57m as capital).	**We performed the following procedures:** We obtained an understanding of the processes and controls surrounding revenue recognition and classification of special dividends by performing our walkthrough procedures. For the classification of special dividends, we also evaluated the design and implementation of controls. For all the dividends, we recalculated the investment income by multiplying the investment holdings at the ex-dividend date, traced from the accounting records, by the dividend per share, as agreed to an independent data vendor. We agreed this sample to bank statements or broker statements and, where applicable, we also agreed the exchange rates to an external source.	The results of our procedures identified no material misstatement in relation to the risk of incomplete or inaccurate revenue recognition, including the classification of special dividends as revenue or capital items in the Statement of Comprehensive Income.

Independent auditor's report

continued

Risk	Our response to the risk	Key observations communicated to the Audit and Management Engagement Committee
There is a risk of incomplete or inaccurate recognition of revenue through the failure to recognise proper income entitlements or to apply an appropriate accounting treatment. In addition to the above, the Directors may, in certain circumstances, exercise judgement in determining whether income receivable in the form of special dividends should be classified as 'revenue' or 'capital' in the Statement of Comprehensive Income.	For all dividends accrued at the year end, we reviewed the investee Company announcements to assess whether the obligation arose prior to 30 September 2024. We agreed the dividend rate to the corresponding announcements made by the investee Company, recalculated the amount receivable and, where applicable, agreed the subsequent cash receipts to post-year end bank statements. To test completeness of recorded investment income, we tested that expected dividends for each investee Company held during the year had been recorded as income with reference to investee Company announcements obtained from an independent data vendor. For all investments held during the year, we compared the type of dividends paid with reference to an external data source to identify those which were 'special'. We confirmed eight special dividends, amounting to \$0.91m were received during the year. We tested all special dividends received, by recalculating the amount received and assessing the appropriateness of classification as revenue or capital by reviewing the underlying rationale of the distribution.	
Risk of incorrect calculation of the performance fee *Refer to the Report of the Audit and Management Engagement Committee (page 72); Accounting policies (pages 92 and 93); and Note 4 of the Financial Statements (pages 95 and 96).* The Company's performance fee for the year to 30 September 2024 amounted to \$3.5m (2023: \$8.27m). The performance fee is calculated using a methodology as set out in the Investment Management Agreement ("IMA") between the Company and the Manager. Incorrect calculation of this fee could have a material impact on the return generated for shareholders.	**We performed the following procedures:** We obtained an understanding of the processes and controls surrounding the calculation of the performance fee by performing our walkthrough procedures. We agreed all key inputs used in the calculation to the accounting records or the IMA and benchmark data to third party source information. We agreed the calculation methodology to the IMA, recalculated the cumulative relative outperformance of the NAV compared to the Company's benchmark and the performance fee payable as at 30 September 2024.	The results of our procedures identified no material misstatement in relation to the risk of incorrect calculation of the performance fee.

Risk	Our response to the risk	Key observations communicated to the Audit and Management Engagement Committee
Risk of incorrect valuation or ownership of the investment portfolio and derivatives *Refer to the Report of the Audit and Management Engagement Committee (page 72); Accounting policies (pages 93 and 94); and Notes 10 and 11 of the Financial Statements (pages 99 to 101).* The valuation of the investment portfolio as at 30 September 2024 was $412.31m (2023: $374.52m). The derivative financial assets and liabilities held at fair value through profit or loss amounted to $2.76m and $(1.56)m respectively (2023: $1.40m and $(3.23)m respectively). The valuation of the instruments held in the investment portfolio is the key driver of the Company's net asset value and total return. Inappropriate investment pricing, including incorrect application of exchange rates, or failure to maintain proper legal title of the instruments held by the Company could have a significant impact on the portfolio valuation and, therefore, the return generated for shareholders. The fair value of exchange listed investments is determined using quoted market bid prices at close of business on the reporting date. The fair value of derivative instruments is based on the bid prices of the underlying securities in respect of long CFD positions, and the offer prices in respect of short CFD positions.	**We performed the following procedures:** We obtained an understanding of the processes surrounding investment and derivative title and pricing by performing our walkthrough procedures. For all listed investments and derivatives in the portfolio, we compared the market prices and exchange rates applied to an independent pricing vendor and recalculated the investment and derivative valuations as at the year end. We inspected the stale pricing reports produced by the Company's accounting administrator to identify prices that have not changed and verified whether the listed price is a valid fair value. We compared the Company's investment holdings at 30 September 2024 to independent confirmations received directly from the Company's Custodian and Depositary, testing any reconciling items to supporting documentation. We agreed all year-end open CFD positions to confirmations received independently from the Company's brokers.	The results of our procedures identified no material misstatement in relation to the risk of incorrect valuation or ownership of the investment portfolio and derivatives.

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Company to be $4.06 m (2023: $3.64 m), which is 1% (2023: 1%) of the Company's shareholders' funds. We believe that shareholders' funds provide us with a basis of materiality aligned to the key measure of the Company's performance.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Company's overall control environment, our judgement was that performance materiality was 75% (2023: 75%) of our planning materiality, namely $3.05m (2023: $2.73m). We have set performance materiality at this percentage due to our past experience of the audit that indicates a lower risk of misstatements, both corrected and uncorrected.

Independent auditor’s report

continued

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of $0.20m (2023: $0.18m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 77 and 119 to 142 , other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors’ remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors’ report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors’ report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors’ Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the directors’ statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company’s compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors’ statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 53 and 91;

- Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on pages 42 and 43;
- Director's statement on whether it has a reasonable expectation that the Company will be able to continue in operation and meets its liabilities set out on pages 42 and 43, 53 and 91;
- Directors' statement on fair, balanced and understandable set out on pages 75 to 77;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 38;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 38 to 42; and
- The section describing the work of the audit committee set out on pages 70 to 75.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on pages 76 and 77, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are UK-adopted International Accounting Standards, the Companies Act 2006, the UK Listing Rules, the UK Corporate Governance Code, the Association of Investment Company's Code of Corporate Governance and Statement of Recommended Practice, section 1158 of the Corporation Tax Act 2010 and The Companies (Miscellaneous Reporting) Regulations 2018.
- We understood how BlackRock Frontiers Investment Trust plc is complying with those frameworks through discussions with the Audit and Management Engagement Committee and Company Secretary, review of Board and committee meeting minutes and review of papers provided to the Audit and Management Engagement Committee.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements. We identified a fraud risk with respect to incomplete or inaccurate revenue recognition through incorrect classification of special dividends as revenue or capital items in the Statement of Comprehensive Income. Further detail of our approach is set out in the section on key audit matters above.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Directors with respect to the application of the documented policies and procedures and review of the financial statements to ensure compliance with the reporting requirements of the Company.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditor's report

continued

Other matters we are required to address

- Following the recommendation from the audit committee, we were appointed by the Company on 11 May 2011 to audit the financial statements for the year ending 30 September 2011 and subsequent financial periods.

  The period of total uninterrupted engagement including previous renewals and reappointments is 14 years, covering the years ending 30 September 2011 to 30 September 2024.

- The audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Price (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

4 December 2024

Statement of comprehensive income

for the year ended 30 September 2024

	Notes	2024 Revenue US$'000	2024 Capital US$'000	2024 Total US$'000	2023 Revenue US$'000	2023 Capital US$'000	2023 Total US$'000
Income from investments held at fair value through profit or loss	3	20,656	–	20,656	17,402	–	17,402
Net income from contracts for difference	3, 11	2,425	–	2,425	1,985	565	2,550
Other income	3	209	–	209	251	–	251
Total income		**23,290**	**–**	**23,290**	**19,638**	**565**	**20,203**
Net profit on investments held at fair value through profit or loss	10	–	54,953	54,953	–	58,566	58,566
Net loss on foreign exchange		–	(1,197)	(1,197)	–	(1,980)	(1,980)
Net (loss)/profit from derivatives	11	–	(7,902)	(7,902)	–	12,523	12,523
Total		**23,290**	**45,854**	**69,144**	**19,638**	**69,674**	**89,312**
Expenses							
Investment management and performance fees	4	(841)	(6,873)	(7,714)	(757)	(11,298)	(12,055)
Other operating expenses	5	(1,162)	(92)	(1,254)	(942)	(68)	(1,010)
Total operating expenses		**(2,003)**	**(6,965)**	**(8,968)**	**(1,699)**	**(11,366)**	**(13,065)**
Net profit on ordinary activities before finance costs and taxation		**21,287**	**38,889**	**60,176**	**17,939**	**58,308**	**76,247**
Finance costs	6	(23)	(92)	(115)	(23)	(94)	(117)
Net profit on ordinary activities before taxation		**21,264**	**38,797**	**60,061**	**17,916**	**58,214**	**76,130**
Taxation (charge)/credit	7	(2,380)	867	(1,513)	(2,044)	770	(1,274)
Profit for the year		**18,884**	**39,664**	**58,548**	**15,872**	**58,984**	**74,856**
Earnings per ordinary share (cents)	**9**	**9.97**	**20.95**	**30.92**	**8.38**	**31.16**	**39.54**

The total columns of this statement represent the Company's Statement of Comprehensive Income, prepared in accordance with UK-adopted International Accounting Standards (IAS). The supplementary revenue and capital accounts are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the year. All income is attributable to the equity holders of the Company.

The Company does not have any other comprehensive income. The net profit for the year disclosed above represents the Company's total comprehensive income.

The notes on pages 91 to 117 form part of these financial statements.

Statement of changes in equity

for the year ended 30 September 2024

	Notes	Called up share capital US$'000	Capital redemption reserve US$'000	Special reserve US$'000	Capital reserves US$'000	Revenue reserve US$'000	Total US$'000
For the year ended 30 September 2024							
At 30 September 2023		2,418	5,798	308,804	36,153	10,425	363,598
Total comprehensive income:							
Net profit for the year		–	–	–	39,664	18,884	58,548
Transactions with owners, recorded directly to equity:							
Dividends paid[1]	8	–	–	–	–	(15,903)	(15,903)
At 30 September 2024		**2,418**	**5,798**	**308,804**	**75,817**	**13,406**	**406,243**
For the year ended 30 September 2023							
At 30 September 2022		2,418	5,798	308,804	(22,831)	8,467	302,656
Total comprehensive income:							
Net profit for the year		–	–	–	58,984	15,872	74,856
Transactions with owners, recorded directly to equity:							
Dividends paid[2]	8	–	–	–	–	(13,914)	(13,914)
At 30 September 2023		**2,418**	**5,798**	**308,804**	**36,153**	**10,425**	**363,598**

[1] Final dividend of 4.90 cents per share for the year ended 30 September 2023, declared on 30 November 2023 and paid on 14 February 2024 and an interim dividend of 3.50 cents per share for the year ended 30 September 2024, declared on 31 May 2024 and paid on 2 July 2024.

[2] Final dividend of 4.25 cents per share for the year ended 30 September 2022, declared on 7 December 2022 and paid on 14 February 2023 and an interim dividend of 3.10 cents per share for the year ended 30 September 2023, declared on 6 June 2023 and paid on 7 July 2023.

For information on the Company's distributable reserves please refer to note 16 on page 102.

The notes on pages 91 to 117 form part of these financial statements.

Statement of financial position

as at 30 September 2024

	Notes	2024 US$'000	2023 US$'000
Non current assets			
Investments held at fair value through profit or loss	10	412,308	374,517
Current assets			
Current tax asset		803	444
Other receivables	12	3,934	5,085
Derivative financial assets held at fair value through profit or loss - contracts for difference	11	2,756	1,402
Cash and cash equivalents – cash at bank	11	2,284	5,308
Cash collateral pledged with brokers	11	1,305	2,435
Total current assets		**11,082**	**14,674**
Total assets		**423,390**	**389,191**
Current liabilities			
Cash and cash equivalents – bank overdraft		–	(25)
Other payables	13	(12,667)	(20,015)
Derivative financial liabilities held at fair value through profit or loss - contracts for difference	11	(1,561)	(3,234)
Liability for cash collateral received	11	(2,900)	(2,300)
Total current liabilities		**(17,128)**	**(25,574)**
Total assets less current liabilities		**406,262**	**363,617**
Non current liabilities			
Management shares of £1.00 each (one quarter paid up)	14	(19)	(19)
Net assets		**406,243**	**363,598**
Equity attributable to equity holders			
Called up share capital	15	2,418	2,418
Capital redemption reserve	16	5,798	5,798
Special reserve	16	308,804	308,804
Capital reserves	16	75,817	36,153
Revenue reserve	16	13,406	10,425
Total equity		**406,243**	**363,598**
Net asset value per ordinary share (cents)	**9**	**214.57**	**192.05**

The financial statements on pages 87 to 117 were approved and authorised for issue by the Board of Directors on 4 December 2024 and signed on its behalf by Mrs Hart, Chair.

BlackRock Frontiers Investment Trust plc

Registered in England, No. 7409667

The notes on pages 91 to 117 form part of these financial statements.

Cash flow statement

for the year ended 30 September 2024

	2024 US$'000	2023 US$'000
Operating activities		
Net profit on ordinary activities before taxation[1]	60,061	76,130
Add back finance costs	115	117
Net profit on investments held at fair value through profit or loss (including transaction costs)	(54,953)	(58,566)
Net loss/(profit) from derivatives (including transaction costs)	7,902	(12,523)
Financing costs on derivatives	(4,835)	(4,107)
Net loss on foreign exchange	1,197	1,980
Sales of investments held at fair value through profit or loss	236,900	183,095
Purchases of investments held at fair value through profit or loss	(216,098)	(207,654)
Sales of Cash Fund[2]	161,427	163,097
Purchases of Cash Fund[2]	(165,067)	(156,544)
Amounts paid for losses on closure of derivatives	(47,584)	(42,659)
Amounts received on profit on closure of derivatives	41,490	57,263
Increase in other receivables	(489)	(855)
(Decrease)/increase in other payables	(4,210)	10,651
Decrease/(increase) in amounts due from brokers	1,640	(2,885)
(Decrease)/increase in amounts due to brokers	(3,138)	4,506
Cash collateral pledged with brokers	1,130	4,969
Cash collateral received from brokers	600	1,650
Taxation paid	(1,872)	(1,272)
Net cash inflow from operating activities	**14,216**	**16,393**
Financing activities		
Interest paid	(115)	(117)
Dividends paid	(15,903)	(13,914)
Net cash outflow from financing activities	**(16,018)**	**(14,031)**
(Decrease)/increase in cash and cash equivalents	**(1,802)**	**2,362**
Effect of foreign exchange rate changes	(1,197)	(1,980)
Change in cash and cash equivalents	**(2,999)**	**382**
Cash and cash equivalents at the start of the year	5,283	4,901
Cash and cash equivalents at the end of the year	**2,284**	**5,283**
Comprised of:		
Cash at bank	2,284	5,308
Bank overdraft	–	(25)
	2,284	**5,283**

[1] Dividends and interest received in cash during the year amounted to US$15,293,000 and US$2,964,000 respectively (2023: US$14,859,000 and US$3,182,000).

[2] Cash Fund represents investment in the BlackRock Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund.

The notes on pages 91 to 117 form part of these financial statements.

Notes to the financial statements

for the year ended 30 September 2024

1. Principal activity

The principal activity of the Company is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010. The Company was incorporated on 15 October 2010, and this is the thirteenth Annual Report.

2. Accounting policies

The principal accounting policies adopted by the Company have been applied consistently, other than where new policies have been adopted and are set out below.

(a) Basis of preparation

The financial statements have been prepared under the historic cost convention modified by the revaluation of certain financial assets and financial liabilities held at fair value through profit or loss and in accordance with UK-adopted IAS. All of the Company's operations are of a continuing nature.

Insofar as the Statement of Recommended Practice (SORP) for investment trust companies and venture capital trusts, issued by the Association of Investment Companies (AIC) in October 2019 and updated in July 2022, is compatible with UK-adopted IAS, the financial statements have been prepared in accordance with the guidance set out in the SORP.

Substantially, all of the assets of the Company consist of securities that are readily realisable and, accordingly, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future for the period to 30 September 2026, being a period of at least twelve months from the date of approval of the financial statements, and therefore consider the going concern assumption to be appropriate. The Directors have reviewed the income and expense projections and the liquidity of the investment portfolio in making their assessment.

The Directors have considered the impact of climate change on the value of the investments included in the Financial Statements and have concluded that there was no further impact of climate change to be considered as the investments are valued based on market pricing as required by IFRS 13.

None of the Company's other assets and liabilities were considered to be potentially impacted by climate change.

The Company's financial statements are presented in US Dollars, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest thousand dollars (US$'000) except where otherwise indicated.

Adoption of new and amended International Accounting Standards and interpretations:

IFRS 17 – Insurance contracts (effective 1 January 2023). This standard replaced IFRS 4 and applies to all types of insurance contracts. IFRS 17 provides a consistent and comprehensive model for insurance contracts covering all relevant accounting aspects.

IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction (effective 1 January 2023). The International Accounting Standards Board (IASB) has amended IAS 12 Income Taxes to require companies to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. According to the amended guidance, a temporary difference that arises on initial recognition of an asset or liability is not subject to the initial recognition exemption if that transaction gave rise to equal amounts of taxable and deductible temporary differences. These amendments might have a significant impact on the preparation of financial statements by companies that have substantial balances of right-of-use assets, lease liabilities, decommissioning, restoration and similar liabilities. The impact for those affected would be the recognition of additional deferred tax assets and liabilities.

IAS 8 – Definition of accounting estimates (effective 1 January 2023). The IASB has amended IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to help distinguish between accounting policies and accounting estimates, replacing the definition of accounting estimates.

IAS 1 and IFRS Practice Statement 2 – Disclosure of accounting policies (effective 1 January 2023). The IASB has amended IAS 1 Presentation of Financial Statements to help preparers in deciding which accounting policies to disclose in their financial statements by stating that an entity is now required to disclose material accounting policies instead of significant accounting policies.

Notes to the financial statements
continued

2. Accounting policies continued

IAS 12 – International Tax Reform Pillar Two Model Rules (effective 1 January 2023). The IASB has published amendments to IAS 12 Income Taxes to respond to stakeholders' concerns about the potential implications of the imminent implementation of the OECD pillar two rules on the accounting for income taxes. The amendment is an exception to the requirements in IAS 12 that an entity does not recognise and does not disclose information about deferred tax assets as liabilities related to the OECD pillar two income taxes and a requirement that current tax expenses must be disclosed separately to pillar two income taxes.

The amendment of these standards did not have any significant impact on the Company.

Relevant International Accounting Standards that have yet to be adopted:

IAS 1 – Classification of liabilities as current or non current (effective 1 January 2024). The IASB has amended IAS 1 Presentation of Financial Statements to clarify its requirement for the presentation of liabilities depending on the rights that exist at the end of the reporting period. The amendment requires liabilities to be classified as non current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The amendment no longer refers to unconditional rights.

IAS 1 – Non current liabilities with covenants (effective 1 January 2024). The IASB has amended IAS 1 Presentation of Financial Statements to introduce additional disclosures for liabilities with covenants within 12 months of the reporting period. The additional disclosures include the nature of covenants, when the entity is required to comply with covenants, the carrying amount of related liabilities and circumstances that may indicate that the entity will have difficulty complying with the covenants.

IAS 21 – Lack of exchangeability (effective 1 January 2025). The IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

IFRS 18 – Presentation and disclosure in financial statements (effective 1 January 2027). The IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

None of the standards that have been issued, but are not yet effective, are expected to have a material impact on the Company.

(b) Presentation of the Statement of Comprehensive Income
In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and a capital nature has been presented alongside the Statement of Comprehensive Income.

(c) Segmental reporting
The Directors are of the opinion that the Company is engaged in a single segment of business being investment business.

(d) Income
Dividends receivable on equity shares are recognised as revenue for the year on an ex-dividend basis. Where no ex-dividend date is available, dividends receivable on or before the year end are treated as revenue for the year. Provision is made for any dividends and interest income not expected to be received. Special dividends, if any, are treated as a capital or a revenue receipt depending on the facts or circumstances of each particular case. The return on a debt security is recognised on a time apportionment basis so as to reflect the effective yield on the debt security. Interest income and deposit interest are accounted for on an accruals basis.

Where the Company has elected to receive its dividends in the form of additional shares rather than in cash, the cash equivalent of the dividend is recognised as income. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital.

(e) Expenses
All expenses, including finance costs, are accounted for on an accruals basis. Expenses have been charged wholly to the revenue account of the Statement of Comprehensive Income, except as follows:

- expenses which are incidental to the acquisition or sale of an investment are charged to the capital account of the Statement of Comprehensive Income. Details of transaction costs on the purchases and sales of investments are disclosed within note 10 to the financial statements on page 99;
- expenses are treated as capital where a connection with the maintenance or enhancement of the value of the investments can be demonstrated;
- the investment management fee and finance costs have been allocated 20% to the revenue account and 80% to the capital account of the Statement of Comprehensive Income in line with the Board's expected long-term split of returns, in the form of capital gains and income, respectively, from the investment portfolio; and
- performance fees are allocated 100% to the capital account of the Statement of Comprehensive Income as fees are generated in connection with enhancing the value of the investment portfolio.

(f) Taxation
The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that were applicable at the balance sheet date.

Where expenses are allocated between capital and revenue accounts, any tax relief in respect of the expenses is allocated between capital and revenue returns on the marginal basis using the Company's effective rate of corporation tax for the accounting period.

Deferred taxation is recognised in respect of all temporary differences that have originated but not reversed at the financial reporting date, where transactions or events that result in an obligation to pay more taxation in the future or right to pay less taxation in the future have occurred at the financial reporting date. This is subject to deferred taxation assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the temporary differences can be deducted. Deferred taxation assets and liabilities are measured at the rates applicable to the legal jurisdictions in which they arise.

(g) Investments held at fair value through profit or loss
In accordance with IFRS 9, the Company classifies its investments at initial recognition as held at fair value through profit or loss and are managed and evaluated on a fair value basis in accordance with its investment strategy and business model.

All investments are measured initially and subsequently at fair value through profit or loss. Purchases of investments are recognised on a trade date basis. Sales of investments are recognised at the trade date of the disposal.

The fair value of the financial investments is based on their quoted bid price at the financial reporting date, without deduction for the estimated future selling costs. This policy applies to all current and non-current asset investments held by the Company. The fair value of the P-Notes are, when held, based on the quoted bid price of the underlying equity to which they relate.

Changes in the value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Statement of Comprehensive Income as "Net profit/(loss) on investments held at fair value through profit or loss". Also included within the heading are transaction costs in relation to the purchase or sale of investments.

For all financial instruments not traded in an active market, the fair value is determined by using various valuation techniques. Valuation techniques include market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data where possible). See note 2(o) below.

(h) Derivatives
The Company can hold long and short positions in contracts for difference (CFDs) which are held at fair value based on the bid prices of the underlying securities in respect of long positions, and the offer prices of the underlying securities in respect of short positions.

Notes to the financial statements
continued

2. Accounting policies continued
Profits and losses on derivative transactions are recognised in the Statement of Comprehensive Income. They are shown in the capital account of the Statement of Comprehensive Income if they are of a capital nature and are shown in the revenue account of the Statement of Comprehensive Income if they are of a revenue nature. To the extent that any profits or losses are of a mixed revenue and capital nature, they are apportioned between revenue and capital accordingly.

(i) Other receivables and other payables
Other receivables and other payables do not carry any interest and are short term in nature and are accordingly stated on an amortised cost basis.

(j) Dividends payable
Under IAS, final dividends should not be accrued in the financial statements unless they have been approved by shareholders before the financial reporting date. Interim dividends should not be recognised in the financial statements unless they have been paid.

Dividends payable to equity shareholders are recognised in the Statement of Changes in Equity.

(k) Foreign currency translation
Transactions involving foreign currencies are converted at the rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities and non-monetary assets held at fair value are translated into US Dollars at the rate ruling on the financial reporting date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income as a revenue or capital item depending on the income or expense to which they relate. For investment transactions and investments held at the year end, denominated in a foreign currency, the resulting gains or losses are included in the profit/(loss) on investments held at fair value through profit or loss in the Statement of Comprehensive Income.

(l) Cash and cash equivalents
Cash comprises cash in hand, bank overdrafts and on demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

The Company’s investment in the Cash Fund is managed as part of the Company’s investment policy and, accordingly, this investment along with purchases and sales of this investment has been classified in the Statement of Financial Position as an investment and not as a cash equivalent as defined under IAS 7.

(m) Bank borrowings
Bank overdrafts and loans are recorded as the proceeds received. Finance charges, including any premium payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the Statement of Comprehensive Income using the effective interest rate method and are added to the carrying amount of the instrument.

(n) Share repurchases and share reissues
Shares repurchased and subsequently cancelled – share capital is reduced by the nominal value of the shares repurchased and the capital redemption reserve is correspondingly increased in accordance with Section 733 of the Companies Act 2006. The full cost of the repurchase is charged to the special reserve.

Shares repurchased and held in treasury – the full cost of the repurchase is charged to the special reserve.

Where treasury shares are subsequently re-issued:

- amounts received to the extent of the repurchase price are credited to the special reserve and capital reserves based on a weighted average basis of amounts utilised from these reserves on repurchases; and

- any surplus received in excess of the repurchase price is taken to the share premium account.

Where new shares are issued, amounts received to the extent of any surplus received in excess of the par value are taken to the share premium account.

Share issue costs are charged to the share premium account. Costs on share reissues are charged to the special reserve and capital reserves.

(o) Critical accounting estimates and judgements
The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Directors do not believe that any accounting judgements or estimates have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

3. Income

	2024 US$'000	2023 US$'000
Investment income:		
UK dividends	576	362
Stock dividends	–	14
Overseas dividends	16,276	12,997
Overseas special dividends	913	1,006
Interest from Cash Fund	2,891	3,023
Total investment income	**20,656**	**17,402**
Net income from contracts for difference (note 11)	2,425	1,985
Total income from contracts for differences	**2,425**	**1,985**
Other income:		
Interest received on cash collateral	135	68
Deposit interest	74	183
Total other income	**209**	**251**
Total	**23,290**	**19,638**

Dividends and interest received in cash during the year amounted to US$15,293,000 and US$2,964,000 respectively (2023: US$14,859,000 and US$3,182,000).

No special dividends from equity investments have been recognised in capital for the year ended 30 September 2024 (2023: US$nil). No special dividends from long contracts for difference have been recognised in capital for the year ended 30 September 2024 and included within net income from contracts for difference in the capital account in the Statement of Comprehensive Income (2023: US$565,000).

4. Investment management and performance fees

	2024			2023		
	Revenue US$'000	Capital US$'000	Total US$'000	Revenue US$'000	Capital US$'000	Total US$'000
Investment management fee	841	3,363	4,204	757	3,026	3,783
Performance fee	–	3,510	3,510	–	8,272	8,272
Total	**841**	**6,873**	**7,714**	**757**	**11,298**	**12,055**

An investment management fee equivalent to 1.10% per annum of the Company's gross assets (defined as the aggregate net assets of the long equity and CFD portfolios of the Company) is payable to the Manager. In addition, the Manager is entitled to receive a performance fee at a rate of 10% of any increase in the net asset value (NAV) at the end of a performance period over and above what would have been achieved had the NAV since launch increased in line with the Benchmark Index, which, since 1 April 2018, is a composite of the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets Index.

For the purposes of the calculation of the performance fee, the performance of the NAV total return since launch has been measured against the performance of the Benchmark Index on a blended basis.

For the year ended 30 September 2024, the Company's NAV outperformed the Benchmark Index on a US Dollar basis by 0.8% (2023: outperformed by 20.1%) resulting in a cumulative outperformance since launch of 68.5% (2023: cumulative outperformance of 57.9%); therefore, a performance fee of US$3,510,000 has been accrued (2023: US$8,272,000). Any accrued performance fee is included within other payables in the Statement of Financial Position.

Notes to the financial statements
continued

4. Investment management and performance fees continued
The performance fee payable in any year is capped at 2.5% of the gross assets of the Company if there is an increase in the NAV per share, or 1% of the gross assets of the Company if there is a decrease in the NAV per share, at the end of the relevant performance period. Any outperformance in excess of the cap for a period may be carried forward to the next two performance periods, subject to the then applicable annual cap. The performance fee is also subject to a high watermark such that any performance fee is only payable to the extent that the cumulative outperformance of the NAV relative to the Benchmark Index is greater than what would have been achieved had the NAV increased in line with the Benchmark Index since the last date in relation to which a performance fee had been paid. This mechanism requires the Manager to catch up any cumulative underperformance against the Benchmark Index since launch before a performance fee can be generated.

The investment management fee is allocated 20% to the revenue account and 80% to the capital account and the performance fee is wholly allocated to the capital account of the Statement of Comprehensive Income. There is no additional fee for company secretarial and administration services.

5. Other operating expenses

	2024 US$'000	2023 US$'000
Allocated to revenue:		
Custody fee	276	229
Auditor's remuneration:		
– audit services	61	62
– other assurance services[1]	10	9
Registrar's fee	38	32
Directors' emoluments[2]	258	243
Broker fees	40	38
Depositary fees[3]	38	33
Marketing fees	211	90
AIC fees	25	24
FCA fees	23	18
Printing and postage fees	47	58
Employer NI contributions	25	31
Stock exchange listings	17	13
Legal and professional fees	24	21
Write back of prior year expenses[4]	(17)	(27)
Other administrative costs	86	68
Total revenue expenses	**1,162**	**942**
Allocated to capital:		
Custody transaction charges[5]	92	68
Total	**1,254**	**1,010**
The Company's ongoing charges[6], calculated as a percentage of average daily net assets and using the management fee and all other operating expenses, excluding performance fees, finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items, were:	1.41%	1.38%
The Company's ongoing charges[6], calculated as a percentage of average daily net assets and using the management fee and all other operating expenses and including performance fees but excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items, were:	2.33%	3.78%

1 Fees for other assurance services of £7,100 (US$10,000) (2023: £7,100 (US$9,000)) relate to the review of the interim financial statements.
2 Further information on Directors' emoluments can be found in the Directors' Remuneration Report on page 65. The Company has no employees.
3 All expenses other than depositary fees are paid in British Pound Sterling and are therefore subject to exchange rate fluctuations.
4 Relates to Director search fees, miscellaneous fees and legal fees written back during the year (2023: Directors' expenses, miscellaneous fees and legal fees).
5 For the year ended 30 September 2024, expenses of £69,000 (US$92,000) (2023: £56,000 (US$68,000)) were charged to the capital account of the Statement of Comprehensive Income. These relate to transaction costs charged by the Custodian on sale and purchase trades.
6 Alternative Performance Measures, see Glossary on page 133.

No fees were payable in 2024 or 2023 in relation to investing in new markets.

6. Finance costs

	2024			2023		
	Revenue US$'000	Capital US$'000	Total US$'000	Revenue US$'000	Capital US$'000	Total US$'000
Interest paid on bank overdraft	1	2	3	–	–	–
Interest paid on cash collateral	22	90	112	23	94	117
Total	**23**	**92**	**115**	**23**	**94**	**117**

7. Taxation

(a) Analysis of charge/(credit) for the year

	2024			2023		
	Revenue US$'000	Capital US$'000	Total US$'000	Revenue US$'000	Capital US$'000	Total US$'000
Current taxation:						
Corporation tax	867	(867)	–	770	(770)	–
Overseas tax	1,513	–	1,513	1,274	–	1,274
Total taxation charge/(credit) (note7(b))	**2,380**	**(867)**	**1,513**	**2,044**	**(770)**	**1,274**

(b) Factors affecting total taxation charge/(credit) for the year

The taxation assessed for the year is lower (2023: lower) than the standard rate of corporation tax used of 25.00% (2023: blended rate of corporation tax of 22.01% based on a rate of 19.00% up to 31 March 2023 and a rate of 25.00% from 1 April 2023). The differences are explained below:

	2024			2023		
	Revenue US$'000	Capital US$'000	Total US$'000	Revenue US$'000	Capital US$'000	Total US$'000
Profit on ordinary activities before taxation	21,264	38,797	60,061	17,916	58,214	76,130
Profit on ordinary activities multiplied by standard rate of 25.00% (2023: blended rate of 22.01%)	5,316	9,699	15,015	3,943	12,813	16,756
Effects of:						
Non-taxable overseas dividends	(4,305)	–	(4,305)	(3,091)	–	(3,091)
Non-taxable UK dividends	(144)	–	(144)	(79)	–	(79)
Non-taxable stock dividend	–	–	–	(3)	–	(3)
Profit on investments held at fair value through profit or loss	–	(13,738)	(13,738)	–	(12,890)	(12,890)
Foreign exchange loss	–	299	299	–	436	436
Net loss/(profit) from contracts for difference	–	1,976	1,976	–	(2,881)	(2,881)
Overseas tax suffered	1,513	–	1,513	1,274	–	1,274
Current period management expenses not utilised	–	874	874	–	1,737	1,737
Disallowed expenses	–	23	23	–	15	15
Total taxation charge/(credit) for the year (note 7(a))	**2,380**	**(867)**	**1,513**	**2,044**	**(770)**	**1,274**

The Company is exempt from UK corporation tax on capital gains provided it maintains its status as an investment trust under Chapter 4 of Part 24 of the Corporation Tax Act 2010. Due to the Company's intention to meet the conditions required to maintain its investment trust status, it has not provided for deferred UK corporation tax on any capital gains or losses.

Notes to the financial statements

continued

7. Taxation continued

At 30 September 2024, the Company had net surplus management expenses of US$17,437,000 (2023: US$13,939,000). A deferred tax asset has not been recognised in respect of these losses because the Company is not expected to generate taxable income in a future period in excess of the deductible expenses of that future period and, accordingly, it is unlikely that the Company will be able to reduce future tax liabilities through the use of existing surplus management expenses. Accordingly, the deferred tax asset of US$4,359,000 (2023: US$3,485,000) has not been recognised as at 30 September 2024 which has been calculated based on the corporation tax rate in effect from 1 April 2023 of 25%, as enacted by the Finance Act 2021.

8. Dividends

Dividends paid on equity shares	Record date	Payment date	2024 US$'000	2023 US$'000
2023 final of 4.90 cents (2022: 4.25 cents) per ordinary share	5 January 2024	14 February 2024	9,277	8,046
2024 interim of 3.50 cents (2023: 3.10 cents) per ordinary share	14 June 2024	2 July 2024	6,626	5,868
			15,903	**13,914**

The total dividends payable in respect of the year ended 30 September 2024 which form the basis of Section 1158 of the Corporation Tax Act 2010 and Section 833 of the Companies Act 2006, and the amounts proposed, meet the relevant requirements as set out in this legislation.

Dividends paid, proposed or declared on equity shares	2024 US$'000	2023 US$'000
Interim dividend of 3.50 cents per ordinary share (2023: 3.10 cents)	6,626	5,868
Final proposed dividend of 6.00 cents per ordinary share (2023: 4.90 cents)[1]	11,358	9,277
	17,984	**15,145**

[1] Based on 189,300,748 ordinary shares in issue on 2 December 2024.

9. Earnings and net asset value per ordinary share

Revenue earnings, capital earnings and net asset value per ordinary share are shown below and have been calculated using the following:

	Year ended 30 September 2024	Year ended 30 September 2023
Net revenue profit attributable to ordinary shareholders (US$'000)	18,884	15,872
Net capital profit attributable to ordinary shareholders (US$'000)	39,664	58,984
Total profit attributable to ordinary shareholders (US$'000)	**58,548**	**74,856**
Equity shareholders' funds (US$'000)	**406,243**	**363,598**
The weighted average number of ordinary shares in issue during the year on which the earnings per ordinary share was calculated was:	189,325,748	189,325,748
The actual number of ordinary shares in issue at the end of the year on which the net asset value per ordinary share was calculated was:	189,325,748	189,325,748
Earnings per ordinary share		
Revenue earnings per share (cents) – basic and diluted	9.97	8.38
Capital earnings per share (cents) – basic and diluted	20.95	31.16
Total earnings per share (cents) – basic and diluted	**30.92**	**39.54**

	As at 30 September 2024	As at 30 September 2023
Net asset value per ordinary share (cents)	214.57	192.05
Ordinary share price (cents)[1]	194.50	175.76
Net asset value per ordinary share (pence)[1]	159.96	157.35
Ordinary share price (pence)	145.00	144.00

1 Based on an exchange rate of US$1.3414 to £1 at 30 September 2024 (30 September 2023: US$1.2206 to £1).

10. Investments held at fair value through profit or loss

	2024 US$'000	2023 US$'000
Equity investments held at fair value through profit or loss	343,749	309,642
Cash Fund	68,559	64,875
Total value of financial asset investments at 30 September	**412,308**	**374,517**
Opening book cost of investments	366,035	338,458
Opening investment holding gains/(losses)	8,482	(40,513)
Opening fair value	**374,517**	**297,945**
Analysis of transactions made during the year:		
Purchases at cost	381,165	364,198
Sales proceeds received	(398,327)	(346,192)
Gains on investments	54,953	58,566
Closing fair value	**412,308**	**374,517**
Closing book cost of investments	373,473	366,035
Closing investment holding gains	38,835	8,482
Closing fair value	**412,308**	**374,517**

The Company received US$398,327,000 (2023: US$346,192,000) from investments sold in the year. The book cost of these investments when they were purchased was US$373,727,000 (2023: US$336,621,000). These investments have been revalued over time and until they were sold any unrealised gains/(losses) were included in the fair value of investments.

During the year, transaction costs of US$502,000 (2023: US$267,000) were incurred on the acquisition of investments. Costs relating to the disposal of investments during the year amounted to US$471,000 (2023: US$281,000). All transaction costs have been included within the capital reserves.

Notes to the financial statements
continued

11. Derivatives
The Company may use a variety of derivative contracts, including contracts for difference (CFDs), which are synthetic equities and are valued by reference to the market values of the investments' underlying securities.

The sources of the return under the derivative contracts (e.g. notional dividends, financing costs, interest returns and realised and unrealised gains and losses) are allocated to the revenue and capital accounts in alignment with the nature of the underlying source of income and in accordance with the guidance given in the AIC SORP. Notional dividend income or expense arising on long or short positions is apportioned wholly to the revenue account. Notional interest income on short positions is allocated wholly to the revenue account. Notional interest expense on long and short positions is apportioned between revenue and capital in accordance with the Board's long-term expected returns of the Company (currently determined to be 20% to revenue and 80% to capital). Changes in value relating to underlying price movements of securities in relation to CFD exposures are allocated to capital. A summary of the various sources of return on the derivative contracts is given in the table below.

	2024			2023		
	Revenue US$'000	**Capital US$'000**	**Total US$'000**	**Revenue US$'000**	**Capital US$'000**	**Total US$'000**
Net change in unrealised gains relating to underlying price movements	–	3,027	3,027	–	2,025	2,025
Net realised (losses)/gains relating to underlying price movements	–	(6,094)	(6,094)	–	14,604	14,604
Notional dividend income on long positions[1]	4,306	–	4,306	3,240	565	3,805
Notional dividend expense on short positions	(640)	–	(640)	(231)	–	(231)
Notional interest expense on long positions	(1,341)	(5,247)	(6,588)	(1,107)	(4,421)	(5,528)
Notional interest income on short positions	100	412	512	83	315	398
Total return on derivative contracts for the year	**2,425**	**(7,902)**	**(5,477)**	**1,985**	**13,088**	**15,073**

[1] No special dividends from long contracts for difference have been recognised in capital for the year ended 30 September 2024 and included within net income from contracts for difference in the capital account in the Statement of Comprehensive Income (2023: US$565,000).

The net fair values of derivative financial assets/(liabilities) in respect of long and short CFDs are set out in the table below:

	2024 US$'000	**2023 US$'000**
Derivative financial assets: Amounts due from brokers in respect of revaluation gains on CFDs	2,756	1,402
Derivative financial liabilities: Amounts due to brokers in respect of revaluation losses on CFDs	(1,561)	(3,234)
Total net derivative financial assets/(liabilities) in respect of CFDs	**1,195**	**(1,832)**

Net realised losses on CFD positions of US$6,094,000 (2023: gains of US$14,604,000) comprised realised gains of US$41,490,000 (2023: US$57,262,000) and realised losses of US$47,584,000 (2023: US$42,658,000).

There were no net realised gains or losses on futures positions held during the year (2023: no net realised gains or losses).

As at 30 September 2024, the Company held cash and cash equivalent balances of US$2,284,000 (2023: US$5,308,000) and a bank overdraft of US$nil (2023: US$25,000). The Company also pledged cash collateral of US$1,305,000 (2023: US$2,435,000) with CFD counterparties. This cash represents collateral posted to counterparties or amounts due to counterparties in respect of unrealised losses on open CFDs. The nature of the Company's portfolio means that the Company gains significant exposure to a number of securities through CFDs. The Company may be geared through the use of CFDs up to 140% of net assets. However, to the extent the Investment Manager has elected not to be geared, the Company will generally hold a level of cash (or equivalent holding in the Cash Fund) on its balance sheet representative of the difference between the cost of purchasing investments directly and the lower initial cost of posting collateral on a CFD contract. The Company was geared through its use of CFDs as at 30 September 2024 and 2023 and the difference between the cost of direct investment and the notional price of purchasing or selling the securities associated with exposures via long and short CFD contracts amounted to US$77,504,000 (2023: US$99,316,000). Had the Company been able to acquire or sell all of the underlying CFD positions through direct equity investment, its cash position (taking into account cash invested in the Cash Fund at 30 September 2024 of US$68,559,000 (2023: US$64,875,000)) at the year end would therefore have been lower by US$77,504,000 (2023: US$99,316,000).

As at 30 September 2024, the Company also owed US$2,900,000 (2023: US$2,300,000) to counterparties in respect of cash collateral received to cover unrealised gains on open CFDs. These cash balances are disclosed within cash and cash equivalents as an asset on the Statement of Financial Position of US$2,284,000 (2023: US$5,308,000), and an equivalent creditor of US$2,900,000 (2023: US$2,300,000) is also shown to reflect the economic entitlement of the counterparty to these deposits until such a time as the CFD contracts are closed out and the gains are realised. To the extent there are unrealised losses on CFD contracts, the Company will post cash collateral to these counterparties. The Investment Manager monitors margin positions on a daily basis to ensure any end of day margin balances are minimised and any amounts owed to the Company are transferred on a timely basis. In the event of default, legal ownership of any monies held in the cash collateral balances resides with the counterparties.

12. Other receivables

	2024 US$'000	2023 US$'000
Amounts due from brokers	1,848	3,488
Prepayments and accrued income	2,086	1,597
Total	**3,934**	**5,085**

13. Other payables

	2024 US$'000	2023 US$'000
Amounts due to brokers	4,829	7,967
Accruals for other expenses and interest payable	1,124	874
Management and performance fees payable	6,714	11,174
Total	**12,667**	**20,015**

14. Non current liabilities – Management shares

The Company has in issue 50,000 management shares of £1 each (one quarter paid up of US$19,000 (2023: US$19,000)) which carry the right to receive a fixed cumulative preferential dividend at the rate of 0.01% per annum on the nominal amount thereof, payable on demand and any such dividend is payable in priority to the payment of dividend to holders of any other class of shares. To the extent that there are no shares of any other class in issue, each management share carries one vote. To the extent there are shares of any other class in issue these shares do not carry any voting rights. On a return of assets of the Company, the holders of these management shares are entitled to be paid the amount paid up or treated as paid up on their share, such return payable in priority to the return to holders or any other class of shares. The management shares are not redeemable.

15. Called up share capital

	Ordinary shares in issue number	Treasury shares number	Total shares number	Nominal value US$'000
Allotted, called up and fully paid share capital comprised:				
Ordinary shares of 1 cent each:				
At 30 September 2023	189,325,748	52,497,053	241,822,801	2,418
At 30 September 2024	**189,325,748**	**52,497,053**	**241,822,801**	**2,418**

During the year, the Company did not issue or buy back any ordinary shares (2023: nil). Additionally, during the year no shares were transferred into treasury (2023: nil).

Since the year end and up to 2 December 2024, the Company bought 25,000 ordinary shares back at an average price of 149.00p per share for a total cost of £37,000. No shares were issued during the year under review or post year end from 1 October 2024 up to the date of this report.

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16. Reserves
For the year ended 30 September 2024

	Capital redemption reserve US$'000	Distributable reserves: Special reserve US$'000	Distributable reserves: Capital reserve arising on investments sold US$'000	Distributable reserves: Capital reserve arising on revaluation of investments held US$'000	Distributable reserves: Revenue reserve US$'000
At 30 September 2023	5,798	308,804	31,765	4,388	10,425
Movement during the year:					
Total comprehensive income:					
Net profit for the year	–	–	4,000	35,664	18,884
Transactions with owners, recorded directly to equity:					
Dividends paid	–	–	–	–	(15,903)
At 30 September 2024	**5,798**	**308,804**	**35,765**	**40,052**	**13,406**

For the year ended 30 September 2023

	Capital redemption reserve US$'000	Distributable reserves: Special reserve US$'000	Distributable reserves: Capital reserve arising on investments sold US$'000	Distributable reserves: Capital reserve arising on revaluation of investments held US$'000	Distributable reserves: Revenue reserve US$'000
At 30 September 2022	5,798	308,804	21,748	(44,579)	8,467
Movement during the year:					
Total comprehensive income:					
Net profit for the year	–	–	10,017	48,967	15,872
Transactions with owners, recorded directly to equity:					
Dividends paid	–	–	–	–	(13,914)
At 30 September 2023	**5,798**	**308,804**	**31,765**	**4,388**	**10,425**

The share premium account and capital redemption reserve are not distributable reserves under the Companies Act 2006. In accordance with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under the Companies Act 2006, the special reserve and capital reserves may be used as distributable reserves for all purposes and, in particular, the repurchase by the Company of its ordinary shares and for payments such as dividends. In accordance with the Company's Articles of Association, the special reserve, capital reserves and the revenue reserve may be distributed by way of dividend. The gain on the capital reserve arising on the revaluation of investments of US$40,052,000 (2023: US$4,388,000) is subject to fair value movements and may not be readily realisable at short notice, as such it may not be entirely distributable. The investments are subject to financial risks, as such capital reserves (arising on investments sold) and the revenue reserve may not be entirely distributable if a loss occurred during the realisation of these investments.

In June 2011, the Company cancelled its share premium account pursuant to shareholders' approval of a special resolution and Court approval on 17 June 2011. The share premium account, which totalled US$142,704,000 was transferred to a special reserve.

In November 2013, the Company cancelled its share premium account pursuant to shareholders' approval of a special resolution and Court approval on 6 November 2013. The share premium account, which totalled US$88,326,000 was transferred to a special reserve.

In March 2021, the Company cancelled its share premium account pursuant to shareholders' approval of a special resolution and Court approval on 11 March 2021. The share premium account, which totalled US$165,984,000 was transferred to a special reserve.

17. Risk management policies and procedures

The Company's investment activities expose it to various types of risks which are associated with the financial instruments and markets in which it invests. The following information is not intended to be a comprehensive summary of all risks and shareholders should refer to the Alternative Investment Fund Managers' Directive FUND 3.2.2R Disclosures which can be found at www.blackrock.com/uk/brfi for a more detailed discussion of the risks inherent in investing in the Company.

Risk management framework

The following information refers to the risk management framework of the Alternative Investment Fund Manager (AIFM). However, as disclosed in the Corporate Governance Statement on page 58 and in the Statement of Directors' Responsibilities on pages 76 and 77, it is the ultimate responsibility of the Board to ensure that the Company's risks are appropriately monitored, and to the extent that elements of this are delegated to third party service providers, the Board is responsible for ensuring that the relevant parties are discharging their duties in accordance with the terms of the relevant agreements and taking appropriate action to the extent issues are identified.

The Directors of the AIFM review quarterly investment performance reports and receive semi-annual presentations in person from the Investment Manager covering the Company's performance and risk profile during the year. The AIFM has delegated the day-to-day administration of the investment programme to the Investment Manager. The Investment Manager is also responsible for ensuring that the Company is managed within the terms of its investment guidelines and limits set out in the Alternative Investment Fund Managers' Directive FUND 3.2.2R Disclosures which can be found at www.blackrock.com/uk/brfi.

The AIFM is responsible for monitoring investment performance, product risk monitoring and oversight and has the responsibility for the monitoring and oversight of regulatory and operational risk for the Company. The Directors of the AIFM have appointed a Risk Manager who has responsibility for the daily risk management process with assistance from key risk management personnel of the Investment Manager, including members of the Risk and Quantitative Analysis Group (RQA) which is a centralised group which performs an independent risk management function. RQA independently identifies, measures and monitors investment risk, including climate-related risk, and tracks the actual risk management practices being deployed across the Company. By breaking down the components of the process, RQA has the ability to determine if the appropriate risk management processes are in place. This captures the risk management tools employed, how the levels of risk are controlled, ensuring risk/return is considered in portfolio construction and reviewing outcomes.

The AIFM reports to the Audit and Management Engagement Committee twice yearly on key risk metrics and risk management processes; in addition, the Depositary monitors the performance of the AIFM and reports to the Audit and Management Engagement Committee semi-annually. Any significant issues are reported to the Board as they arise.

Risk Exposures

The risk exposures of the Company are set out as follows:

(a) Market risk

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price, currency and interest rate movements. It represents the potential loss the Company may suffer through holding market positions in financial instruments in the face of market movements. The Company is also exposed to frontier markets fluctuations through CFDs which are valued based on the price of the underlying equity holding.

A key metric RQA uses to measure market risk is Value-at-Risk (VaR) which encompasses price, currency and interest rate risk. VaR is a statistical risk measure that estimates the potential portfolio loss from adverse market moves in an ordinary market environment. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

The VaR calculations are based on a confidence level of 99% with a holding period of not greater than one day and a historical observation period of not less than one year (250 days). A VaR number is defined at a specified probability and a specified time horizon. A 99% one day VaR means that the expectation is that 99% of the time over a one day period the Company will lose less than this number in percentage terms. Therefore, higher VaR numbers indicate higher risk. It is noted that the use of VaR methodology has limitations, namely assumptions that risk factor returns are normally distributed and that the use of historical market data as a basis for estimating future events does not encompass all possible scenarios, particularly those that are of an extreme nature and that the use of a specified confidence level (e.g. 99%) does not take into account losses that occur beyond this level. There is some probability that the loss could be greater than the VaR amounts. These limitations, and the nature of the VaR measure, mean that the Company can neither guarantee that losses will not exceed the VaR amounts indicated, nor that losses in excess of the VaR amounts will not occur more frequently.

The one-day VaR as at 30 September 2024 and 30 September 2023 (based on a 99% confidence level) was 1.38% and 1.83% respectively.

Notes to the financial statements
continued

17. Risk management policies and procedures continued
(i) Market risk arising from other price risk
Exposure to other price risk
Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, climate change, or other events could have a significant impact on the Company and the market price of its investments and could result in increased premiums or discounts to the Company's net asset value.

The Company is exposed to market price risk arising from its equity investments and CFDs. The movements in the prices of these investments result in movements in the performance of the Company. Other price risk sensitivity has been covered by the VaR analysis under the market risk section above.

The Company's exposure to other changes in market prices at 30 September 2024 on its equity investments, excluding its holding in the Cash Fund, was US$343,749,000 (2023: US$309,642,000). In addition, the Company's gross market exposure to these price changes through its CFD portfolio was US$94,615,000 (2023: US$108,259,000) through long positions and was US$15,916,000 (2023: US$10,775,000) through short positions.

Management of other price risk
By diversifying the portfolio, where this is appropriate and consistent with the Company's objectives, the risk that a price change of a particular investment will have a material impact on the NAV of the Company is minimised which is in line with the investment objectives of the Company.

The economic exposures within the CFD portfolio can be closed out at anytime by the Company subject to the market liquidity.

Concentration of exposure to market risks
An analysis of the Company's investment portfolio is shown on pages 19 to 26. At 30 September 2024 this shows that the majority of the portfolio is invested in Indonesia, Saudi Arabia, the Philippines, the United Arab Emirates and Thailand. Accordingly, there is a concentration of exposure to those countries, though it is recognised that an investment's country of domicile or its listing does not necessarily equate to its exposure to the economic conditions in that country.

(ii) Market risk arising from foreign currency risk
Exposure to foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency sensitivity has been covered by the VaR analysis under the market risk section.

The fair values of the Company's monetary items which have foreign currency exposure at 30 September 2024 and 30 September 2023 are shown on the following page. Where the Company's equity investments which are not monetary items are denominated in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

2024	Indonesian Rupiah US$'000	Saudi Riyals US$'000	Philippine Peso US$'000	UAE Dirham US$'000	Thai Baht US$'000
Receivables (due from brokers, withholding tax receivable, dividends and other income receivable)	–	–	–	–	–
Contracts for difference - long (gross exposure)	–	52,377	–	–	–
Contracts for difference - short (gross exposure)	–	(5,666)	–	–	(4,770)
Cash and cash equivalents	–	–	–	–	–
Payables (due to brokers and other expenses payable)	–	–	–	–	–
Total foreign currency exposure on net monetary items	**–**	**46,711**	**–**	**–**	**(4,770)**
Investments at fair value through profit and loss that are equities	63,048	–	35,008	27,205	24,580
Total net foreign currency exposure	**63,048**	**46,711**	**35,008**	**27,205**	**19,810**

2024	Euro US$'000	Hungarian Forint US$'000	British Pound Sterling US$'000	Pakistani Rupee US$'000	Other US$'000
Receivables (due from brokers, withholding tax receivable, dividends and other income receivable)	14	–	23	102	1,655
Contracts for difference - long (gross exposure)	9,931	–	2,022	–	19,227
Contracts for difference - short (gross exposure)	–	–	–	–	(2,472)
Cash and cash equivalents	–	–	342	–	281
Payables (due to brokers and other expenses payable)	–	–	(897)	(4)	(122)
Total foreign currency exposure on net monetary items	**9,945**	**–**	**1,490**	**98**	**18,569**
Investments at fair value through profit and loss that are equities	9,428	18,068	15,479	16,615	85,054
Total net foreign currency exposure	**19,373**	**18,068**	**16,969**	**16,713**	**103,623**

2023	Indonesian Rupiah US$'000	Saudi Riyals US$'000	Thai Baht US$'000	UAE Dirham US$'000	Vietnamese Dong US$'000
Receivables (due from brokers, withholding tax receivable, dividends and other income receivable)	–	–	67	–	–
Contracts for difference - long (gross exposure)	–	55,841	–	5,632	21,144
Contracts for difference - short (gross exposure)	–	(8,344)	–	–	–
Cash and cash equivalents	–	–	–	–	–
Bank overdraft	–	–	–	–	–
Payables (due to brokers and other expenses payable)	–	–	–	–	–
Total foreign currency exposure on net monetary items	**–**	**47,497**	**67**	**5,632**	**21,144**
Investments at fair value through profit and loss that are equities	52,201	–	30,650	18,089	–
Total net foreign currency exposure	**52,201**	**47,497**	**30,717**	**23,721**	**21,144**

Notes to the financial statements
continued

17. Risk management policies and procedures continued

2023	Philippine Peso US$'000	British Pound Sterling US$'000	Qatari Rial US$'000	Malaysian Ringgit US$'000	Other US$'000
Receivables (due from brokers, withholding tax receivable, dividends and other income receivable)	337	17	–	277	300
Contracts for difference – long (gross exposure)	–	3,325	11,709	–	–
Contracts for difference – short (gross exposure)	–	–	–	–	–
Cash and cash equivalents	–	–	–	–	4,629
Bank overdraft	–	(25)	–	–	–
Payables (due to brokers and other expenses payable)	(6,850)	(591)	–	(651)	(178)
Total foreign currency exposure on net monetary items	**(6,513)**	**2,726**	**11,709**	**(374)**	**4,751**
Investments at fair value through profit and loss that are equities	26,431	14,968	5,477	17,219	71,202
Total net foreign currency exposure	**19,918**	**17,694**	**17,186**	**16,845**	**75,953**

Management of foreign currency risk
The Investment Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board of the Company on a regular basis.

The Investment Manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and income of a movement in the exchange rate to which the Company's assets, liabilities, income and expenses are exposed.

The Company does not use financial instruments to mitigate the currency exposure in the period between the time that income is included in the financial statements and its receipt.

Consequently, the Company is exposed to risks that the exchange rate of its reporting currencies, relative to other currencies, may change in a manner which has an adverse effect on the value of the portion of the Company's assets which are denominated in currencies other than their own currencies.

(iii) Market risk arising from interest rate risk
Exposure to interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is exposed to interest rate risk specifically through its cash holdings and on positions within the CFD portfolio. Interest rate movements may affect the level of income receivable from any cash at bank and on deposits. The effect of interest rate changes on the earnings of the companies held within the portfolio may have a significant impact on the valuation of the Company's investments. Movements in interest rates will also have an impact on the financing costs of the CFD derivative contracts. Interest rate sensitivity risk has been covered by the VaR analysis under market risk section.

Interest rate exposure
The exposure at 30 September 2024 and 30 September 2023 of financial assets and liabilities to interest rate risk is shown by reference to:

- floating interest rates – when the interest rate is due to be re-set; and
- fixed interest rates – when the financial instrument is due for repayment.

	2024 Within one year US$'000	2023 Within one year US$'000
Exposure to floating interest rates:		
CFD derivative contracts		
– Notional long positions	(94,615)	(108,259)
– Notional short positions	15,916	10,775
Cash Fund	68,559	64,875
Cash and cash equivalents	2,284	5,308
Cash collateral pledged with brokers	1,305	2,435
Liability for cash collateral received	(2,900)	(2,300)
Bank overdraft	–	(25)
Total exposure to interest rates	**(9,451)**	**(27,191)**

The Company is exposed to interest rate risk on positions within the CFD portfolio. The Company incurs charges on long and short positions when held. These are based on:

	US$ based	EUR based
Notional long positions	Overnight US Federal Funds Effective rate	Euro OverNight Index Average
Notional short positions	Overnight US Federal Funds Effective rate	Euro OverNight Index Average

Notional interest is determined on a gross basis; i.e. for this purpose long and short positions or exposures within the master agreements are not netted. Further details of notional interest arising in the year in relation to the CFD portfolio are given in note 11 to the Financial Statements on pages 100 and 101.

The Company has additional exposure to interest rate risk in relation to its holding in the Cash Fund. Interest received on this holding in the year was on average 5.13% (2023: 5.49%). There were no money market deposits as at 30 September 2024 or 30 September 2023.

The Company does not have any fixed rate exposure at 30 September 2024 or 30 September 2023. Interest rates received on cash balances or paid on bank overdrafts, respectively, by major currency account are set out in the table below.

2024	Interest received %	Interest paid %
US Dollar	5.106	7.250
British Pound Sterling	4.851	8.244

2023	Interest received %	Interest paid %
US Dollar	4.388	7.250
British Pound Sterling	3.675	8.021

Management of interest rate risk

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

The Company's investment guidelines permit it to be geared up to 140% of net assets through the use of derivatives or borrowings, although the Board currently envisages that any such net gearing will not exceed 130% of net assets. Derivative contracts are not used to hedge against exposure to interest rate risk.

(b) Counterparty credit risk

Counterparty credit risk is the risk that the issuer of a financial instrument will fail to fulfil an obligation or commitment that it has entered into with the Company.

Notes to the financial statements
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17. Risk management policies and procedures continued
The Company is exposed to counterparty credit risk from the parties with which it trades and will bear the risk of settlement default. Counterparty credit risk to the Company arises from transactions to purchase or sell investments and through its positions in long and short derivatives.

The major counterparties engaged with the Company are all widely recognised and regulated entities. Short CFD positions, if held, are backed by sufficient margin cash to reduce risk.

Depositary
The Company's Depositary is The Bank of New York Mellon (International) Limited (BNY or the Depositary) (S&P long-term credit rating as at 30 September 2024: AA- (2023: AA-)). The Company's listed investments are held on its behalf by The Bank of New York Mellon (International) Limited (BNY) as the Company's Custodian (as sub-delegated by the Depositary). All of the equity assets and cash of the Company are held within the custodial network of the global custodian appointed by the Depositary. Bankruptcy or insolvency of the Depositary/Custodian may cause the Company's rights with respect to its investments held by the Depositary/Custodian to be delayed or limited. The maximum exposure to this risk at 30 September 2024 is the total value of equity investments held with the Depositary/Custodian and cash and cash equivalents in the Statement of Financial Position.

In accordance with the requirements of the depositary agreement, the Depositary will ensure that any agents it appoints to assist in safekeeping the assets of the Company will segregate the assets of the Company. Thus, in the event of insolvency or bankruptcy of the Depositary, the Company's non-cash assets are segregated and this reduces counterparty credit risk. The Company will, however, be exposed to the counterparty credit risk of the Depositary in relation to the Company's cash held by the Depositary. In the event of the insolvency or bankruptcy of the Depositary, the Company will be treated as a general creditor of the Depositary in relation to cash holdings of the Company.

Counterparties/Brokers
The Company only invests directly in markets that operate on a delivery versus payment basis, and consequently most investment transactions in listed securities involve simultaneous delivery of securities against cash payment using an approved broker. The risk of default is considered minimal, and the trade will fail if either party fails to meet its obligation.

For a few markets that the Company invests in from time to time, although they operate on a delivery versus payment basis, there may be a very short time gap between stock delivery and payment, giving a potential rise to counterparty credit risk with the broker in relation to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved and the high credit quality of the brokers used for those markets. The Company monitors the credit rating and financial position of the broker used to further mitigate this risk.

Cash held by a counterparty to financial derivative contracts is subject to the credit risk of the counterparty. The following table details the total number of counterparties to which the Company is exposed, the maximum exposure to any one counterparty, the collateral held by the Company against this exposure, the total exposure to all other counterparties and the lowest long-term credit rating of any one counterparty (or its ultimate parent if unrated).

	Total number of counterparties	Maximum exposure to any one counterparty[1]	Collateral held[1]	Total exposure to all other counterparties[1]	Lowest credit rating of any one counterparty[2]
		US$'000	US$'000	US$'000	US$'000
2024	7	2,375	1,305	4,513	A+
2023	7	5,308	2,435	4,890	BBB+

1 Calculated on a net basis.
2 Standard & Poor's ratings.

The Company may also be exposed to counterparty risk should there be any rehypothecation of pledged collateral. Collateral is received/paid where the client service agreement states that there should be collateral movements agreed with the counterparty, where there is a requirement for a mark-to-market process or collateralisation to ensure that the Company is protected against any counterparty default.

Over-the-counter (OTC) financial derivative instruments
The Company may utilise both exchange traded and over-the-counter derivatives, including, but not limited to, CFDs and

P-Notes, as part of its investment policy. These instruments can be highly volatile and potentially expose investors to a higher risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage in respect of each transaction. As a result, depending on the type of instrument, a relatively small movement in the price of a contract may result in a profit or loss which is high in proportion to the value of the net exposures in the underlying CFD positions. In addition, daily limits on price fluctuations and speculative position limits on exchanges may prevent prompt liquidation of positions resulting in potentially greater losses. The Company's current investment strategy specifically utilises CFDs. The CFDs utilised have a linear performance to the referenced stocks quoted on exchanges and therefore have a volatility profile similar to the underlying stocks.

Management of OTC financial derivative instruments
The gross value represents the aggregate of the long and short exposure without netting and so within this limit market exposure may be significantly less. The net exposure refers to the market exposure the Company has to the underlying securities on long CFD positions, less the market exposure of the underlying securities on which the Company has taken short positions. Further definitions are provided in the Glossary on page 130. To the extent derivatives are used to gear the Company's portfolio, maximum gross exposure through long and short CFDs will not exceed 150% of net assets and maximum net exposure will not exceed 130% of net assets. Short positions may not exceed 10% of net assets.

Exposures are monitored daily by the Investment Manager and its independent risk management team. The Company's board also reviews exposures regularly.

The CFD positions are diversified across sectors and geographies comprising 15 positions as at 30 September 2024 (2023: 20).

The gross and net underlying notional exposures within the CFD portfolio at 30 September 2024 and 30 September 2023 were:

	2024 US$'000	% of net assets	2023 US$'000	% of net assets
CFDs – gross exposure relating to long positions	94,615	23.3	108,259	29.8
CFDs – gross exposure relating to short positions	15,916	3.9	10,775	3.0
Gross economic exposure	**110,531**	**27.2**	**119,034**	**32.8**
Net market exposure	**78,699**	**19.4**	**97,484**	**26.8**

The economic exposures within the CFD portfolio can be closed out at any time by the Company subject to market liquidity. Details of securities and exposures to market risk, interest rate risk and credit risk implicit within the CFD portfolio are given in note 17(a)(i), 17(a)(ii), 17(a)(iii), 17(b) and 17(c) to the Financial Statements.

Collateral
The Company engages in activities which may require collateral to be provided to a counterparty (pledged collateral) or may hold collateral received (inbound collateral) from a counterparty. Pledged and inbound cash collateral is paid/received in US Dollars. The Company uses inbound collateral received from a counterparty to reduce the counterparty credit risk associated with any trading activity in which the Company has engaged.

The collateral received/posted by the Company under the ISDA Master Agreement in respect of variation margin is transferred bilaterally under a title transfer arrangement. Collateral received by the Company in respect of variation margin is held in an account in the name of the Depositary on behalf of the Company. Collateral received is segregated from the assets belonging to the Company's Depositary.

At 30 September 2024, all cash collateral received by the Company in respect of CFD transactions was re-invested in the Cash Fund managed by the Manager or its affiliates as disclosed in the Schedule of Investments. The Company is the legal owner of Inbound collateral and can sell the assets and withhold the cash in the case of default. All cash received or posted as collateral has an open maturity tenure as it is not subject to a contractual maturity date.

The returns earned by the Company from the reinvestment of cash collateral in Cash Fund during the year ended 30 September 2024 was 5.64% (2023: 4.86%).

Cash collateral pledged by the Company is separately identified as an asset in the Statement of Financial Position and is not included as a component of cash and cash equivalents. Inbound cash collateral received by the Company is reflected as a liability on the Statement of Financial Position as cash collateral payable. The cash is subject to certain counterparty credit risk as the Company's access to its cash could be delayed should the counterparties become insolvent or bankrupt.

Notes to the financial statements
continued

17. Risk management policies and procedures continued
The fair value of inbound cash collateral and cash collateral pledged is reflected in the table below:

	Pledged collateral		Liability for inbound collateral	
	30 September 2024 US$'000	30 September 2023 US$'000	30 September 2024 US$'000	30 September 2023 US$'000
Cash collateral	1,305	2,435	2,900	2,300

Receivables

Amounts due from debtors are disclosed in the Statement of Financial Position as receivables. The counterparties included in receivables are the same counterparties discussed previously under counterparty credit risk and subject to the same scrutiny by the BlackRock RQA Counterparty and Concentration Risk Team (RQA CCR). The Company monitors the ageing of receivables to mitigate the risk of debtor balances becoming overdue.

In summary, the exposure to credit risk at 30 September 2024 and 30 September 2023 was as follows:

	2024 3 months or less US$'000	2023 3 months or less US$'000
Cash collateral pledged with brokers	1,305	2,435
Cash at bank	2,284	5,308
Cash Fund	68,559	64,875
CFD positions – amounts due from brokers	2,756	1,402
Other receivables (amounts due from brokers, dividends and interest receivable)	3,934	5,085
	78,838	**79,105**

The following table details the Company's exposure to CFDs and net cash collateral (received/pledged in US Dollars) analysed by counterparty as at the balance sheet date:

2024 Name of counterparty	Counterparty country of incorporation	Receivable/ (payable) for CFDs US$'000	Cash collateral (received)/ pledged US$'000
HSBC	United Kingdom	2,059	(2,070)
Citibank N.A	United Kingdom	472	760
Bank of America Merrill Lynch	United Kingdom	(1,054)	325
Morgan Stanley	United Kingdom	5	(210)
Goldman Sachs	United Kingdom	(137)	(620)
BNP Paribas	France	(150)	220
		1,195	**(1,595)**

2023 Name of counterparty	Counterparty country of incorporation	(Payable)/ receivable for CFDs US$'000	Cash collateral pledged/ (received) US$'000
HSBC	United Kingdom	(1,904)	1,190
Citibank N.A	United Kingdom	(40)	(1,250)
Bank of America Merrill Lynch	United Kingdom	(803)	1,245
Morgan Stanley	United Kingdom	353	(640)
Goldman Sachs	United Kingdom	562	(410)
		(1,832)	**135**

Management of counterparty credit risk
Credit risk is monitored and managed by RQA CCR. The team is headed by BlackRock's Chief Credit Officer who reports to the Global Head of RQA. Credit authority resides with the Chief Credit Officer and selected team members to whom specific credit authority has been delegated. As such, counterparty approvals may be granted by the Chief Credit Officer, or by identified RQA Credit Risk Officers who have been formally delegated authority by the Chief Credit Officer.

The counterparty/credit risk is managed as follows:

- transactions are only entered into with those counterparties approved by RQA CCR, with a formal review carried out for each new counterparty and with counterparties selected by RQA CCR on the basis of a number of risk mitigation criteria designed to reduce the risk to the Company of default;
- the creditworthiness of financial institutions with whom cash is held is reviewed regularly by RQA CCR; and
- RQA CCR review the credit standard of the Company's brokers on a periodic basis and set limits on the amount that may be due from any one broker.

The Board monitors the Company's counterparty risk by reviewing:

- the semi-annual report from the Depositary, which includes the results of periodic site visits to the Company's Custodian where controls are reviewed and tested;
- the Custodian's Service Organisation Control (SOC 1) reports which include a report by the Custodian's auditor. This report sets out any exceptions or issues noted as a result of the auditor's review of the Custodian's control processes;
- the Manager's internal control reports which include a report by the Manager's auditor. This report sets out any exceptions or issues noted as a result of the auditor's review of the Manager's control processes; and
- in addition, the Depositary and the Manager report any significant breaches or issues arising to the Board as soon as these are identified.

There were no past due or impaired assets as of 30 September 2024 (2023: nil). The major counterparties engaged with the Company are all widely recognised and regulated entities.

Offsetting disclosures
In order to better define its contractual rights and to secure rights that will help the Company mitigate its counterparty risk, the Company may enter into an ISDA Master Agreement or similar agreement with its OTC derivative contract counterparties. An ISDA Master Agreement is an agreement between the Company and the counterparty that governs OTC derivative contracts and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, the Company has a contractual right to offset with the counterparty certain derivative financial instruments payables and/or receivables with collateral held and/or posted and create one single net payment in the event of default including the bankruptcy or insolvency of the counterparty. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against the right of offset in bankruptcy, insolvency or other events.

For financial reporting purposes, the Company does not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statement of Financial Position. The disclosures set out in the following table include financial assets and financial liabilities that are subject to an enforceable master netting agreement or similar agreement.

Notes to the financial statements
continued

17. Risk management policies and procedures continued

At 30 September 2024 and 2023, the Company's derivative assets and liabilities (by type) are as follows:

Derivatives	At 30 September 2024 Assets US$'000	At 30 September 2024 Liabilities US$'000	At 30 September 2023 Assets US$'000	At 30 September 2023 Liabilities US$'000
CFD position – long positions	2,365	(191)	1,122	(3,041)
CFD position – short positions	391	(1,370)	280	(193)
Total derivative assets and liabilities in the Statement of Financial Position	**2,756**	**(1,561)**	**1,402**	**(3,234)**

The following table presents the Company's derivative assets and liabilities by counterparty, net of amounts available for offset, under a master netting agreement and net of any related collateral paid by the Company as at 30 September 2024 and 2023:

Counterparty	Derivative assets subject to a master netting agreement US$'000	Derivatives available for offset US$'000	Non-cash collateral received US$'000	Inbound cash collateral US$'000	Net amount of derivative assets US$'000
As at 30 September 2024					
HSBC	2,059	–	–	(2,059)	–
Citibank N.A	472	–	–	–	472
Bank of America Merrill Lynch	101			–	101
Morgan Stanley	5	–	–	(5)	–
Goldman Sachs	119	–	–	(119)	–
Total as at 30 September 2024	**2,756**	**–**	**–**	**(2,183)**	**573**
As at 30 September 2023					
HSBC	411	–	–	–	411
Morgan Stanley	361	–	–	(361)	–
Goldman Sachs	630	–	–	(410)	220
Total as at 30 September 2023	**1,402**	**–**	**–**	**(771)**	**631**

Counterparty	Derivative liabilities subject to a master netting agreement US$'000	Derivatives available for offset US$'000	Non-cash collateral given US$'000	Pledged cash collateral US$'000	Net amount of derivative liabilities US$'000
As at 30 September 2024					
Bank of America Merrill Lynch	(1,155)	–	–	325	(830)
Goldman Sachs	(256)	–	–	–	(256)
BNP Paribas	(150)			150	–
Total as at 30 September 2024	**(1,561)**	**–**	**–**	**475**	**(1,086)**
As at 30 September 2023					
HSBC	(2,315)	–	–	1,190	(1,125)
Citibank N.A	(40)	–	–	–	(40)
Bank of America Merrill Lynch	(802)	–	–	802	–
Goldman Sachs	(68)	–	–	–	(68)
Morgan Stanley	(9)	–	–	–	(9)
Total as at 30 September 2023	**(3,234)**	**–**	**–**	**1,992**	**(1,242)**

(c) Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. The Company is exposed to liquidity risk for margin calls on derivatives.

Liquidity risk exposure
The remaining undiscounted gross cash flows of the financial liabilities as at 30 September 2024 and 30 September 2023, based on the earliest date on which payment can be required, were as follows:

2024	3 months or less US$'000	Not more than one year US$'000	More than one year US$'000	Total US$'000
Amounts due to brokers, accruals and provisions	12,667	–	–	12,667
Amounts due to CFD counterparty brokers in respect of collateral held on account	2,900	–	–	2,900
Derivative financial liabilities held at fair value through profit or loss	1,561	–	–	1,561
	17,128	**–**	**–**	**17,128**

2023	3 months or less US$'000	Not more than one year US$'000	More than one year US$'000	Total US$'000
Amounts due to brokers, accruals and provisions	20,015	–	–	20,015
Amounts due to CFD counterparty brokers in respect of collateral held on account	2,300	–	–	2,300
Derivative financial liabilities held at fair value through profit or loss	3,234	–	–	3,234
Bank overdraft	25	–	–	25
	25,574	**–**	**–**	**25,574**

Management of liquidity risk
Liquidity risk is minimised by holding sufficient liquid investments which can be readily realised to meet liquidity demands. Asset disposals may also be required to meet liquidity needs. However, the timely sale of trading positions can be impaired by many factors including decreased trading volume and increased price volatility. As a result, the Company may experience difficulties in disposing of assets to satisfy liquidity demands. Liquidity risk is not significant as the Company's assets are investments in listed securities that are readily realisable.

The Company is also exposed to liquidity risks from the leverage employed through exposure to long and short CFD positions. The underlying securities of the CFD portfolio are all quoted investments that are readily realisable. Short CFD positions are, when held, backed by sufficient margin cash to reduce risk. The Company does not have a committed overdraft facility in place. Additional cash is held within the portfolio to further mitigate risk.

The Company's liquidity risk is managed on a daily basis by the Investment Manager in accordance with established policies and procedures in place. The Investment Manager reviews daily forward-looking cash reports which project cash obligations. These reports allow them to manage their obligations.

For the avoidance of doubt, none of the assets of the Company are subject to special liquidity arrangements.

Notes to the financial statements
continued

17. Risk management policies and procedures continued

(d) Valuation of financial instruments
Financial assets and financial liabilities are either carried in the Statement of Financial Position at their fair value (investments and derivatives) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash at bank and bank overdrafts). IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Company are explained in the accounting policies note 2(g) to the Financial Statements on page 93.

Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset.

The fair value hierarchy has the following levels:

Level 1 – Quoted market price for identical instruments in active markets
A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Company does not adjust the quoted price for these instruments.

Level 2 – Valuation techniques using observable inputs
This category includes instruments valued using quoted prices for similar instruments in markets that are considered less than active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

As at the year end, the CFDs were valued using the underlying equity bid price and the inputs to the valuation were the exchange rates used to convert the CFD valuation from the relevant local currency in which the underlying equity was priced to US Dollars at the year-end date. There have been no changes to the valuation technique since the previous year or as at the date of this report.

Contracts for difference and forward currency contracts have all been classified as Level 2 investments as their valuation has been based on market observable inputs represented by the market prices of the underlying quoted securities and exchange rates to which these contracts expose the Company.

Level 3 – Valuation techniques using significant unobservable inputs
This category includes all instruments where the valuation technique includes inputs not based on market data and these inputs could have a significant impact on the instrument's valuation.

This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability including an assessment of the relevant risks including but not limited to credit risk, market risk, liquidity risk, business risk and sustainability risk. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager and these risks are adequately captured in the assumptions and inputs used in measurement of Level 3 assets or liabilities.

Fair values of financial assets and financial liabilities
For exchange listed equity investments, the quoted price is the bid price. Substantially, all investments are valued based on unadjusted quoted market prices. Where such quoted prices are readily available in an active market, such prices are not required to be assessed or adjusted for any business risks, including climate risk, in accordance with the fair value related requirements of the Company's financial reporting framework.

The table below sets out fair value measurements using IFRS 13 fair value hierarchy.

Financial assets/(liabilities) at fair value through profit or loss at 30 September 2024	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Assets:				
Equity investments	343,749	–	–	343,749
Cash Fund	68,559	–	–	68,559
Contracts for difference (fair value)	–	2,756	–	2,756
Liabilities:				
Contracts for difference (fair value)	–	(1,561)	–	(1,561)
	412,308	**1,195**	**–**	**413,503**

Financial assets/(liabilities) at fair value through profit or loss at 30 September 2023	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Assets:				
Equity investments	309,642	–	–	309,642
Cash Fund	64,875	–	–	64,875
Contracts for difference (fair value)	–	1,402	–	1,402
Liabilities:				
Contracts for difference (fair value)	–	(3,234)	–	(3,234)
	374,517	**(1,832)**	**–**	**372,685**

There were no transfers between levels of financial assets and financial liabilities during the year ended 30 September 2024.

The Company held no Level 3 assets or liabilities during the year ended 30 September 2024 (2023: nil).

(e) Capital management policies and procedures
The Company's capital management objectives are:

- to ensure it will be able to continue as a going concern; and
- to achieve long-term capital growth, investing primarily in companies operating in or having exposure to frontier markets.

This is to be achieved through an appropriate balance of equity, capital, investment in derivatives and structured financial instruments, and gearing. The maximum exposure the Company may have to derivatives and structured financial instruments for investment purposes and efficient portfolio management purposes, in aggregate, is 140% of the Company's portfolio. The Company may use borrowings and enter into derivative transactions that have the effect of gearing the Company's portfolio to enhance performance. The aggregate gearing of the Company in these circumstances is currently not anticipated to exceed 140% of net assets.

The Company's total invested capital at 30 September 2024 was US$406,243,000 (2023: US$363,598,000).

The Board, with the assistance of the Investment Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes into account the Investment Manager's view on the market; and
- the need to buy back equity shares, either for cancellation or to be held in treasury, which takes account of the difference between the NAV per share and the share price (i.e. the level of share price discount or premium).

Notes to the financial statements
continued

17. Risk management policies and procedures continued
The Company is subject to externally imposed capital requirements:

- as a public company, the Company has a minimum share capital of £50,000; and
- in order to be able to pay dividends out of profits available for distribution, the Company has to be able to meet one of the two capital restrictions tests imposed on investment companies by law.

During the year, the Company complied with the externally imposed capital requirements to which it was subject.

18. Related party disclosure
Directors' emoluments
At the date of this report, the Board consists of five non-executive Directors, all of whom are considered to be independent of the Manager by the Board.

Disclosures of the Directors' interests in the ordinary shares of the Company and fees and expenses payable to the Directors are set out in the Directors' Remuneration Report on pages 65 to 67. At 30 September 2024, US$20,000 (£15,000) (2023: US$20,000 (£17,000)) was outstanding in respect of Directors' fees.

Significant holdings
The following investors are:

a. funds managed by the BlackRock Group or are affiliates of BlackRock Inc. (Related BlackRock Funds); or

b. investors (other than those listed in (a) above) who held more than 20% of the voting shares in issue in the Company and are as a result, considered to be related parties to the Company (Significant Investors).

As at 30 September 2024

	Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
As at 30 September 2024	4.0	n/a	n/a
As at 30 September 2023	4.1	n/a	n/a

19. Transactions with the Investment Manager and AIFM

BlackRock Fund Managers Limited (BFM) provides management and administration services to the Company under a contract which is terminable on six months' notice. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed in the Directors' Report on page 51.

The investment management fee due for the year ended 30 September 2024 amounted to US$4,204,000 (2023: US$3,783,000). The performance fee payable for the year ended 30 September 2024 amounted to US$3,510,000 (2023: US$8,272,000).

At the year end, US$3,204,000 (2023: US$2,902,000) was outstanding in respect of management fees and US$3,510,000 (2023: US$8,272,000) was outstanding in respect of performance fees.

In addition to the above services, BIM (UK) has provided the Company with marketing services. The total fees paid or payable for these services for the year ended 30 September 2024 amounted to US$211,000 (2023: US$90,000) excluding VAT. Marketing fees of US$344,000 (US$143,000) excluding VAT were outstanding at the year end.

The Company has an investment in the BlackRock Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund of US$68,559,000 (2023: US$64,875,000) at the year end, which is a fund managed by a company within the BlackRock Group. The Company's investment in the Cash Fund is held in a share class on which no management fees are paid to BlackRock to avoid double dipping.

The ultimate holding company of the Manager and the Investment Manager is BlackRock, Inc., a company incorporated in Delaware, USA.

20. Contingent liabilities

There were no contingent liabilities at 30 September 2024 (2023: nil).


Bancolombia
Corresponsal Bancario
Consignaciones
Retiros de efectivo
Pago de facturas
Seguros
Giros
Bancolombia
Corresponsal Bancario

Additional information

The largest bank in Colombia with a countrywide presence, Bancolombia was another strong performer.

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Analysis of shareholders

as at 30 September 2024

Analysis of Categories as at 30 September 2024

	Holdings	%	No. of shares[1]	%[1]
Individuals	134	31.45	1,177,696	0.62
Bank or Nominees	269	63.15	187,339,481	98.95
Investment Trust	4	0.94	332,370	0.18
Insurance Company	0	0.00	0	0.00
Other Company	11	2.58	101,958	0.05
Pension Trust	2	0.47	3	0.00
Other Corporate Body	6	1.41	374,240	0.20
Total	**426**	**100.00**	**189,325,748**	**100.00**

Band Analysis as at 30 September 2024

Range in shares held	No. of shareholders	%	No. of shares[1]	%[1]
1 - 1,000	49	11.50	23,545	0.01
1,001 - 5,000	83	19.48	233,048	0.12
5,001- 10,000	35	8.22	260,037	0.14
10,001 - 100,000	140	32.86	5,342,218	2.82
100,001 - 500,000	62	14.56	13,466,728	7.11
500,001 - 1,000,000	17	3.99	12,093,260	6.39
1,000,001 - 999,999,999	40	9.39	157,906,912	83.41
Total	**426**	**100.00**	**189,325,748**	**100.00**

[1] Excludes treasury shares of 52,497,053.

Historical record

as at 30 September 2024

Year	Net assets	Net asset value per ordinary share	Ordinary share price per share[1]	Ordinary share price per share	Net revenue after taxation	Revenue return per share	Dividends per share
	US$m	cents	cents	pence	US$m	cents	cents
2011[2]	115.6	122.0	116.8	75.0	3.3	3.5	3.00
2012	128.3	135.4	130.4	80.8	3.9	4.1	3.80
2013	255.2	169.5	178.1	110.0	5.9	6.1	5.40[3]
2014	306.1	203.3	211.6	130.5	9.9	6.6	6.25
2015	242.4	160.9	157.2	103.8	9.9	6.6	6.55
2016	276.4	168.2	167.6	129.0	10.1	6.4	6.60
2017	350.2	196.9	199.9	149.0	13.1	7.7	6.90
2018	356.5	177.7	182.3	139.8	19.3	10.1	8.40[4]
2019	400.8	166.5	162.7	132.0	18.9	8.2	7.75
2020	306.0	126.9	120.6	93.3	12.2	5.1	7.00
2021	352.8	186.3	165.2	122.5	14.9	7.1	7.00
2022	302.7	159.9	142.6	127.8	12.0	6.4	7.00
2023	363.6	192.5	175.8	144.0	15.9	8.4	8.00
2024	**406.2**	**214.6**	**194.5**	**145.0**	**18.9**	**10.0**	**9.50**

[1] Share price converted from Sterling at the exchange rate prevailing on 30 September.
[2] Since launch on 17 December 2010 to 30 September 2011.
[3] Includes special dividend of 3.40 cents per ordinary share.
[4] Includes special dividend of 1.00 cent per ordinary share.

Management and other service providers

Registered Office
(Registered in England, No. 07409667)
12 Throgmorton Avenue
London EC2N 2DL

Alternative Investment Fund Manager
BlackRock Fund Managers Limited[1,2]
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000

Investment Manager and Company Secretary
BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Depositary
The Bank of New York Mellon (International) Limited[2]
160 Queen Victoria Street
London EC4V 4LA

Registrar
Computershare Investor Services PLC[2]
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 707 4027

Independent Auditor
Ernst & Young LLP
25 Churchill Place
London E14 5EY

Stockbrokers
Winterflood Securities Limited[2]
The Atrium Building
25 Dowgate Hill
London EC4R 2GA

Solicitors
Gowling WLG (UK) LLP
4 More London Riverside
London SE1 2AU

[1] BlackRock Fund Managers Limited (BFM) was appointed as the Alternative Investment Fund Manager on 2 July 2014. BlackRock Investment Management (UK) Limited continues to act as the Investment Manager of the Company under a delegation agreement with BFM.

[2] Authorised and regulated by the Financial Conduct Authority.

Shareholder information

Financial calendar

The timing of the announcement and publication of the Company's results may normally be expected in the months shown below:

December	Annual results announced
December	Annual Report and Financial Statements published
February	Annual General Meeting
February	Final dividend paid
May	Half yearly figures to 31 March announced and Half Yearly Financial Report published
June/July	Interim dividend paid

Ordinary share price

The Company's mid-market ordinary share price is quoted daily in The Financial Times and The Times under "Investment Companies" and in The Daily Telegraph under "Investment Trusts". The share price is also available on the BlackRock website at www.blackrock.com/uk/brfi.

Payment of dividends

Cash dividends will be sent by cheque to the first-named shareholder at their registered address. The Board has arranged for all shareholders to receive their dividends in British Pound Sterling unless they elect otherwise. Shareholders who wish to receive their dividends in US Dollars should complete and return the enclosed Currency Election Form.

Dividends may also be paid direct into a shareholder's bank account via BACSTEL-IP (Bankers' Automated Clearing Service – Telecom Internet Protocol). This may be arranged by contacting the Company's registrar, Computershare Investor Services PLC, through their secure website www.investorcentre.co.uk/ecomms, or by telephone on 0370 707 4027, or by completing the Mandate Instructions section on the reverse of your dividend counterfoil and sending this to the Company's registrar, Computershare. Confirmation of dividends paid will be sent to shareholders at their registered address, unless other instructions have been given, to arrive on the payment date.

Dividend 2024

The proposed final dividend in respect of the year ended 30 September 2024 is 6.00 cents per ordinary share. Together with the interim dividend of 3.50 cents per share which was paid on 2 July 2024 to shareholders on the register on 14 June 2024, this gives a total dividend for the year ended 30 September 2024 of 9.50 cents per ordinary share.

Dividend timetable	Ordinary shares
Ex-dividend date:	9 January 2025
Record date:	10 January 2025
Last day for receipt of currency elections:	24 January 2025
Dividend payment date:	14 February 2025

ISIN/SEDOL numbers

The ISIN/SEDOL numbers and mnemonic codes for the Company's shares are:

	Ordinary shares
ISIN	GB00B3SXM832
SEDOL	B3SXM83
Bloomberg code	BRFI LN Equity
Ticker	BRFI

Dividend tax allowance

The annual tax-free allowance on dividend income across an individual's entire share portfolio is currently £500. Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances.

The Company continues to provide registered shareholders with confirmation of the dividends paid and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is a shareholder's responsibility to include all dividend income when calculating any tax liability.

If you have any tax queries, please contact a financial advisor.

Shareholder information
continued

Share dealing
Investors wishing to purchase more shares in the Company or sell all or part of their existing holding may do so through a stockbroker. Most banks also offer this service. Alternatively, please go to www.computershare.com/dealing/uk for a range of Dealing services made available by Computershare.

CREST
The Company's shares may be held in CREST, an electronic system for uncertificated securities trading.

Private investors can continue to retain their share certificates and remain outside the CREST system. Private investors are able to buy and sell their holdings in the same way as they did prior to the introduction of CREST, although there may be differences in dealing charges.

Electronic communications
We encourage you to play your part in reducing our impact on the environment and elect to be notified by email when your shareholder communications become available online. This means you will receive timely, cost-effective and greener online Annual Reports, Half Yearly Financial Reports and other relevant documentation. Shareholders who opt for this service will receive an email from Computershare with a link to the relevant section of the BlackRock website where the documents can be viewed and downloaded. Please submit your email address by visiting www.investorcentre.co.uk/ecomms. You will require your shareholder reference number which you will find on your share certificate or dividend confirmation.

You will continue to receive a printed copy of these reports if you have elected to do so. Alternatively, if you have not submitted your email address nor have elected to receive printed reports, we will write and let you know where you can view these reports online.

Electronic proxy voting
Shareholders are able to submit their proxy votes electronically via Computershare's internet site at www.eproxyappointment.com using their shareholder reference number, control number and a unique identification PIN which will be provided with voting instructions and the Notice of Annual General Meeting.

CREST members who wish to appoint one or more proxies or give an instruction through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST manual. More details are set out in the notes on the Form of Proxy and the Notice of Annual General Meeting.

Annual general meeting
The AGM of the Company is to be held at 12.30 p.m. on 5 February 2025. If you are unable to attend the meeting you can watch the presentation live. Details of how to register can be found on the inside front cover of this report. A replay will also be made available on the Company's website at www.blackrock.com/uk/brfi. The Investment Manager presents their overview of the year and the outlook for the coming months.

Nominee code
Where shares are held in a nominee company name, the Company undertakes:

- to provide the nominee company with multiple copies of shareholder communications, so long as an indication of quantities has been provided in advance; and

- to allow investors holding shares through a nominee company to attend general meetings, provided the correct authority from the nominee company is available.

Nominee companies are encouraged to provide the necessary authority to underlying shareholders to attend the Company's general meetings.

Publication of net asset value/portfolio analysis
The net asset value (NAV) per share of the Company is calculated daily, with details of the Company's investments and performance being published monthly.

The daily NAV per share and monthly information are released through the London Stock Exchange's Regulatory News Service and are available on the BlackRock website at www.blackrock.com/uk/brfi and through the Reuters News Service under the code "BLRKINDEX", on page 8800 on Topic 3 (ICV terminals) and under "BLRK" on Bloomberg (monthly information only).

Online access

Other details about the Company are available on the BlackRock website at www.blackrock.com/uk/brfi. The financial statements and other literature are published on the website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Shareholders can also manage their shareholding online by using Investor Centre, Computershare's secure website, at www.investorcentre.co.uk. To access Computershare's website, you will need your shareholder reference number (SRN) which can be found on paper or electronic communications you have previously received from Computershare. Listed below are the most frequently used features of the website.

- Holding enquiry – view balances, values, history, payments and reinvestments.
- Payments enquiry – view your dividends and other payment types.
- Address change – change your registered address.
- Bank details update – choose to receive your dividend payment directly into your bank account instead of by cheque.
- e-Comms sign-up – choose to receive email notification when your shareholder communications become available instead of paper communications.
- Outstanding payments – reissue payments using the online replacement service.
- Downloadable forms – including dividend mandates, stock transfer, dividend reinvestment and change of address forms.

Stocks and Shares Individual Savings Accounts (ISA)

ISAs are a tax-efficient method of investment and the Company's shares are eligible investments for inclusion within stocks and shares Individual Savings Accounts. In the 2023/2024 tax year investors have an annual ISA allowance of £20,000 which can be invested in either cash or shares.

Shareholder enquiries

The Company's registrar is Computershare Investor Services PLC. Certain details relating to your holding can be checked through the Computershare Investor Centre website. As a security check, specific information needs to be input accurately to gain access to an individual's account. This includes your shareholder reference number, available from your share certificate, dividend confirmation statement or other electronic communications you have previously received from Computershare. The address of the Computershare website is www.investorcentre.co.uk. Alternatively, please contact the registrar on 0370 707 4027.

Changes of name or address must be notified in writing either through Computershare's website, or to the registrar at:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

General enquiries

Enquiries about the Company should be directed to:

The Company Secretary
BlackRock Frontiers Investment Trust plc
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

AIFMD report on remuneration

(unaudited)

Remuneration related disclosures in accordance with Article 22(2) of the AIFMD, Article 107 of the AIFMD Regulations and Section XIII of the ESMA Guidelines on sound remuneration policies under the AIFMD

The below disclosures are made in respect of the remuneration policies of the BlackRock group ("BlackRock"), as they apply to BlackRock Fund Managers Limited (the "Manager"). The disclosures are made in accordance with the provisions in the UK implementing the Alternative Investment Fund Managers Directive (the "AIFMD"), the European Commission Delegated Regulation supplementing the AIFMD (the "Delegated Regulation") and the "Guidelines on sound remuneration policies under the AIFMD" issued by the European Securities and Markets Authority.

The BlackRock AIFM Remuneration Policy (the "AIFM Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of alternative investment funds in accordance with the AIFMD, and will ensure compliance with the requirements of Annex II of the AIFMD and to UK entities within the BlackRock group authorised as a manager of a UK alternative investment fund in accordance with the UK version of the Directive.

The Manager has adopted the AIFM Remuneration Policy, a summary of which is set out below.

Quantitative Remuneration Disclosure

The Manager is required under the AIFMD to make quantitative disclosures of remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Remuneration information at an individual AIF level is not readily available. Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; (c) staff who have the ability to materially affect the risk profile of the Fund; and (d) staff of companies to which portfolio management and risk management has been formally delegated.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager is included in the aggregate figures disclosed.

Members of staff and senior management of the Manager typically provide both AIFMD and non-AIFMD related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. Conversely, members of staff and senior management of the broader BlackRock group may provide both AIFMD and non-AIFMD related services in respect of multiple funds, clients and functions of the broader BlackRock group and of the Manager. Therefore, the figures disclosed are a sum of individuals' portion of remuneration attributable to the Manager according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager and the broader BlackRock group. Accordingly, the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded to the Manager's staff in respect of the Manager's financial year ending 31 December 2023 is USD 171.29 million. This figure is comprised of fixed remuneration of USD 98.27 million and variable remuneration of USD 72.02 million. There was a total of 3,683 beneficiaries of the remuneration described above.

The amount of the aggregate remuneration awarded by the Manager in respect of the Manager's financial year ending 31 December 2023, to its senior management was USD 6.11 million, and to other members of its staff whose actions potentially have a material impact on the risk profile of the Manager or its funds was USD 4.20 million.

Other AIFMD disclosures

(unaudited)

Leverage

The Company may employ leverage and borrow cash in accordance with its stated investment policy or investment strategy. The Company may also employ leverage in its investment programme through foreign exchange forward contracts. The use of borrowings and leverage has attendant risks and can, in certain circumstances, substantially increase the adverse impact to which the Company's investment portfolio may be subject.

Consistent with its investment objective and policy, the Company may utilise a variety of exchange traded and over the counter (OTC) derivative instruments such as covered put/call options as part of its investment policy. The use of derivatives may expose the Company to a higher degree of risk. No derivatives were used for leverage purposes during the year.

For the purposes of this disclosure, leverage is any method by which the Company's exposure is increased, whether through borrowing of cash or securities, or leverage embedded in foreign exchange forward contracts or by any other means. The AIFMD requires that each leverage ratio be expressed as the ratio between a Company's exposure and its NAV, and prescribes two required methodologies, the gross methodology and the commitment methodology (as set out in AIFMD Level 2 Implementation Guidance), for calculating such exposure.

Using the methodologies prescribed under the AIFMD, the leverage of the Company is disclosed in the table below:

	Commitment leverage	**Gross leverage**
Leverage ratio – as at 30 September 2024	1.13	1.12
Leverage ratio – as at 30 September 2023	1.17	1.16

Other risk disclosures

The financial risk disclosures relating to risk framework and liquidity risk are set out in note 17 in the notes to the financial statements on page 103.

Pre investment disclosures

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the Annual Report of each AIF. An Investor Disclosure Document, which sets out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information is available on the website at www.blackrock.com/uk/brfi.

There have been no material changes (other than those reflected in these financial statements) to this information requiring disclosure. Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to the London Stock Exchange through a primary information provider.

KEVIN MAYGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
4 December 2024

Information to be disclosed in accordance with Listing Rule 9.8.4

The disclosures below are made in compliance with the requirements of Listing Rule 9.8.4.

9.8.4 (1) The Company has not capitalised any interest in the period under review.

9.8.4 (2) The Company has not published any unaudited financial information in a class 1 circular or prospectus or any profit forecast or profit estimate.

9.8.4 (3) This provision has been deleted.

9.8.4 (4) The Company does not have any long-term incentive schemes in operation.

9.8.4 (5) and (6) No Director of the Company has waived or agreed to waive any current or future emoluments from the Company or any subsidiary undertaking.

9.8.4 (7) The Company has not allotted any ordinary shares during the year.

The Company is a stand-alone entity and therefore Listing Rules 9.8.4 (8) and 9.8.4 (9) are not applicable.

9.8.4 (10) There were no contracts of significance subsisting during the period under review to which the Company is a party and in which a Director of the Company is or was materially interested, or between the Company and a controlling shareholder.

9.8.4 (11) This provision is not applicable to the Company.

9.8.4 (12) and (13) There were no arrangements under which a shareholder has waived or agreed to waive any dividends or future dividends.

9.8.4 (14) This provision is not applicable to the Company.

KEVIN MAYGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
4 December 2024

Depositary report

The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London EC4V 4LA
T +44 (0)20 7570 1784

18 October 2024

To the Board of Directors
BlackRock Frontiers Investment Trust Plc
12 Throgmorton Avenue,
London
EC2N 2DL

Dear Sir / Madam,

Re: BlackRock Frontiers Investment Trust Plc ('the Entity')

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the BlackRock Frontiers Investment Trust Plc ("the Company") for the Period Ended 30 September 2024.

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Investment Funds Sourcebook, ("the Sourcebook"), the Alternative Investment Fund Managers Directive ("AIFMD") (together "the Regulations") and the Company's Articles of Association.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of the assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

• the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;

• the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;

• the assets under management and the net asset value per share of the Company are calculated in accordance with the Regulations;

• any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;

• that the Company's income is applied in accordance with the Regulations; and

• the instructions of the Alternative Investment Fund Manager ("the AIFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the Articles of Association in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AIFM has been managed in accordance with the rules in the Sourcebook, the Articles of Association of the Company and as required by the AIFMD.

Yours sincerely

Colin Campbell
Senior Manager
The Bank of New York Mellon (International) Limited – UK Trustee & Depositary

The Bank of New York Mellon (International) Limited is registered in England & Wales with Company 3236121 with its Registered Office at 160 Queen Victoria Street London EC4V 4LA. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Glossary

Alternative Performance Measure (APM)
An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the financial statements.

The Company's APMs are set out below and are cross-referenced where relevant to the financial inputs used to derive them as contained in other sections of the Annual Report and Financial Statements.

Benchmark Index
The Company's Benchmark Index, used for performance comparative purposes, is the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets Index.

Benchmark Index outperformance/underperformance is measured by comparing the Company's net asset value return (NAV) total return, with the performance of the Benchmark Index on a total return basis.

As at 30 September 2024, the Company's NAV total return was +16.5% (2023: +25.1%) and the total return of the Benchmark Index was +15.7% (2023: +5.0%), therefore the Company's outperformance of the Benchmark Index was 0.8% (outperformance of 20.1%).

Closed-end company
An investment trust works along the same lines as a unit trust, in that it pools money from investors which is then managed on a collective basis. The main difference is that an investment trust is a company listed on the Stock Exchange and, in most cases, trading takes place in shares which have already been issued, rather than through the creation or redemption of units. As the number of shares which can be issued or cancelled at any one time is limited, and requires the approval of existing shareholders, investment trusts are known as closed-end funds or companies. This means that investment trusts are not subject to the same liquidity constraints as open ended funds and can therefore invest in less liquid investments.

Contracts for difference (CFD)
A CFD is an agreement to exchange the difference in value of a particular share or index between the time at which a contract is opened and the time at which it is closed. A CFD allows an investor to gain access to the movement in the share price by putting down a small amount of cash known as a margin which can range between 1% and up to 80% of the market value of the underlying security.

CFDs do not have an expiry date like options or futures contracts. As opposed to an expiry date a CFD is effectively renewed at the close of each trading day and rolled forward if desired.

Discount and premium*
Investment trust shares can frequently trade at a discount to NAV. This occurs when the share price (based on the mid-market share price) is less than the NAV and investors may therefore buy shares at less than the value attributable to them by reference to the underlying assets. The discount is the difference between the share price and the NAV, expressed as a percentage of the NAV.

As at 30 September 2024, the US Dollar equivalent share price was 194.50 cents (2023: 175.76 cents) and the NAV was 214.57 cents (2023: 192.05 cents), therefore the discount was 9.4% (2023: 8.5%) (please see note 9 of the financial statements on pages 98 and 99 for the inputs to the calculation).

A premium occurs when the share price (based on the mid-market share price) is more than the NAV and investors would therefore be paying more than the value attributable to the shares by reference to the underlying assets. For example, if the share price was 370 pence and the NAV 365 pence, the premium would be 1.4%.

Discounts and premiums are mainly the consequence of supply and demand for the shares on the stock market.

* Alternative Performance Measure.

Gearing and borrowings*

The Company may achieve gearing through borrowings or the effect of gearing through an appropriate balance of equity capital, investment in derivatives and structured financial instruments, and borrowings. The maximum exposure the Company may have to derivatives and structured financial instruments for investment purposes and efficient portfolio management purposes, in aggregate, is 140% of the Company's net assets. The Company may use borrowings and enter into derivative transactions that have the effect of gearing the Company's portfolio to enhance performance.

The Company's gross and net gearing through the use of long and short CFD positions as at 30 September 2024 and 30 September 2023 is set out in the table below.

Gross and net gearing	**Page**	**30 September 2024 US$000**	**30 September 2023 US$000**	
Equity investments	99	343,749	309,642	(a)
Long CFD exposures	109	94,615	108,259	(b)
Short CFD exposures	109	15,916	10,775	(c)
Gross geared exposure (d = a + b + c)		454,280	428,676	(d)
Net geared exposure (e = a + b – c)		422,448	407,126	(e)
Net assets	89	406,243	363,598	(f)
Gross gearing % of net assets (g = (d – f)/f x 100) (%)		**11.8**	**17.9**	**(g)**
Net gearing % of net assets (h = (e – f)/f x 100) (%)		**4.0**	**12.0**	**(h)**

Gross market exposure and net market exposure

Market exposure gained through a CFD contract refers to the gross market value of the underlying securities to which the investor is exposed through the CFD contract.

Gross exposure refers to the total exposure the investor has through both long and short positions added together. For example, an investor who has 110% long market exposure through CFDs and 20% short market exposure through CFDs has gross market exposure of 130%.

Net exposure refers to the exposure the investor has through long positions less any short positions. For example, an investor who has 110% long market exposure through CFDs and 20% short market exposure through CFDs has net market exposure of 90%; this method of measurement is looking at the net directional market exposure and takes into account the fact that long and short positions theoretically offset one another when the market moves in a particular direction.

Leverage

Leverage is defined in the AIFM Directive as "any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means".

Leverage is measured in terms of 'exposure' and is expressed as a ratio of net asset value:

$$\text{Leverage ratio} = \frac{\text{Total assets}}{\text{Net assets}}$$

The Directive sets out two methodologies for calculating exposure. These are the Gross Method and the Commitment Method. The treatment of cash and cash equivalent balances in terms of calculating what constitutes an "exposure" under AIFMD differs for these two methods. The definitions for calculating the Gross Method exposures require that "the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond" should be excluded from exposure calculations.

The Company is leveraged in accordance with the methodology set out in the AIFMD, as at 30 September 2024, however all derivative positions were backed by cash and the Company was not geared from this perspective, nor was it geared using the calculation methodology adopted and recommended by the AIC.

* Alternative Performance Measure.

Glossary
continued

Net asset value per share (Capital only NAV)*
The capital only NAV is a point of reference when comparing a range of investment trusts. This NAV focuses on the value of the Company's assets disregarding the current period revenue income, on the basis that most trusts will distribute substantially all of their income in any financial period. It is calculated by dividing 'equity shareholders' funds' (excluding current period revenue) by the total number of ordinary shares in issue.

As at 30 September 2024, equity shareholders' funds less the current year net revenue return (after interim dividends) amounted to US$393,985,000 (2023: US$353,594,000) and there were 189,325,748 (2023: 189,325,748) ordinary shares in issue (excluding treasury shares); therefore the capital only NAV was 208.10 cents (2023: 186.76 cents).

Equity shareholders' funds (excluding current period revenue) of US$393,985,000 (2023: US$353,594,000) are calculated by deducting from the Company's net assets US$406,243,000 (2023: US$363,598,000) its current period revenue US$18,884,000 (2023: US$15,872,000) and adding back the interim dividend US$6,626,000 (2023: US$5,868,000).

Net asset value per share (Cum income NAV)
This is the value of the Company's assets attributable to one ordinary share. It is calculated by dividing 'equity shareholders' funds' by the total number of ordinary shares in issue (excluding treasury shares). For example, as at 30 September 2024, equity shareholders' funds were worth US$406,243,000 (2023: US$363,598,000) and there were 189,325,748 (2023: 189,325,748) ordinary shares in issue (excluding treasury shares); the undiluted NAV was therefore 214.57 cents (2023: 192.05 cents) per ordinary share (please see note 9 of the financial statements for the audited inputs to the calculations).

Equity shareholders' funds are calculated by deducting from the Company's total assets, its current and long-term liabilities and any provision for liabilities and charges.

NAV and share price return (with dividends reinvested)*
Performance statistics enable the investor to make performance comparisons between investment trusts with different dividend policies. The performance measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. This is calculated by the movement in the share price or NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV/share price (please see note 9 of the financial statements for the audited inputs to the calculations).

NAV total return – US Dollar	Page	30 September 2024	30 September 2023	
Closing NAV per share (cents)	99	214.57	192.05	
Add back interim and final dividends (cents)	98	8.40	7.35	
Effect of dividend reinvestment (cents)		0.69	0.63	
Adjusted closing NAV (cents)		223.66	200.03	(a)
Opening NAV per share (cents)	99	192.05	159.86	(b)
NAV total return (c = ((a – b)/b)) (%)		**16.5**	**25.1**	**(c)**

NAV total return – British Pound Sterling	Page	30 September 2024	30 September 2023	
Closing NAV per share (pence)[1]	99	159.96	157.35	
Add back interim and final dividends (pence)	98	6.61	5.88	
Effect of dividend reinvestment (pence)		0.18	0.51	
Adjusted closing NAV (pence)		166.75	163.74	(a)
Opening NAV per share (pence)	99	157.35	143.21	(b)
NAV total return (c = ((a – b)/b)) (%)		**6.0**	**14.3**	**(c)**

[1] Based on an exchange rate of US$1.3414 to £1 at 30 September 2024 and US$1.2206 to £1 at 30 September 2023.

* Alternative Performance Measure.

Share price total return – US Dollar	Page	30 September 2024	30 September 2023	
Closing share price (cents)[1]	99	194.50	175.76	
Add back interim and final dividends (cents)	98	8.40	7.35	
Effect of dividend reinvestment (cents)		0.59	0.57	
Adjusted closing share price (cents)		203.49	183.68	(a)
Opening share price (cents)	99	175.76	142.61	(b)
Share price total return (c = ((a – b)/b)) (%)		**15.8**	**28.8**	**(c)**

[1] Based on an exchange rate of US$1.3414 to £1 at 30 September 2024 and US$1.2206 to £1 at 30 September 2023.

Share price total return – British Pound Sterling	Page	30 September 2024	30 September 2023	
Closing share price (pence)	99	145.00	144.00	
Add back interim and final dividends (pence)	98	6.61	5.88	
Effect of dividend reinvestment (pence)		0.10	0.46	
Adjusted closing share price (pence)		151.71	150.34	(a)
Opening share price (pence)	99	144.00	127.75	(b)
Share price total return (c = ((a – b)/b)) (%)		**5.4**	**17.7**	**(c)**

Ongoing charges ratio*

$$\text{Ongoing charges (\%)} = \frac{\text{Annualised ongoing charges}}{\text{Average undiluted net asset value in the period}}$$

Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs and include the annual management fees.

As recommended by the AIC in its guidance, ongoing charges are the Company's management fee and all other operating expenses (excluding performance fees, finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items) expressed as a percentage of the average daily net assets of the Company during the year.

The inputs that have been used to calculate the ongoing charges percentage are set out in the following table.

Ongoing charges calculation	Page	30 September 2024 US$'000	30 September 2023 US$'000	
Management fee	95	4,204	3,783	
Other operating expenses[1]	96	1,179	969	
Total management fee and other operating expenses		5,383	4,752	(a)
Performance fee	95	3,510	8,272	(b)
Total management and performance fees and other operating expenses (c = a + b)		8,893	13,024	(c)
Average daily net assets in the year		382,075	344,387	(d)
Ongoing charges in the year excluding performance fees (e = a/d) (%)		**1.41**	**1.38**	**(e)**
Ongoing charges in the year including performance fees (f = c/d) (%)		**2.33**	**3.78**	**(f)**

[1] Excluding the write back of prior year expenses totalling US$17,000 (2023: US$27,000).

* Alternative Performance Measure.

Glossary
continued

Participatory notes (P-Notes)
Participatory notes issued by certain counterparty banks are designed to offer the holder a return linked to the performance of a particular underlying equity security or market, and used where direct investment in the relevant underlying equity security or market is not possible for regulatory or other reasons.

Quoted securities and unquoted securities
Quoted securities are securities that trade on an exchange for which there is a publicly quoted price. Unquoted securities are financial securities that do not trade on an exchange for which there is not a publicly quoted price.

Revenue profit and revenue reserves
Revenue profit is the net revenue income earned after deduction of fees and expenses allocated to the revenue account and taxation suffered by the Company. Revenue reserves is the undistributed income that the Company keeps as reserves. Investment trusts do not have to distribute all the income they generate, after expenses. They may retain up to 15% of revenue generated which will be held in a revenue reserve. This reserve can be used at a later date to supplement dividend payments to shareholders.

Short and long exposures
CFDs enable an investor to benefit from the price of a stock falling as well as rising. This enables the investor to benefit from negative as well as positive views on individual stocks. Entering into a CFD that results in a profit where the share price movement falls is referred to as taking a short position. The counterparty pays the investor interest on the cash deposited with it which collateralises the short positions and deductions are made from the value of the short CFD contract in respect of dividends payable in relation to these stocks.

Entering into a CFD contract that results in a profit if the price of the stock rises is referred to as taking a long position. The investor pays a financing charge on long positions and receives payments from the counterparty in respect of dividends payable in relation to these long positions.

Treasury shares
Treasury shares are shares that a company keeps in its own treasury which are not currently issued to the public. These shares do not pay dividends, have no voting rights and are not included in a company's total issued share capital amount for calculating percentage ownership. Treasury stock may have come from a repurchase or buy back from shareholders, or it may never have been issued to the public in the first place. Treasury shares may be reissued from treasury to the public to meet demand for a company's shares in certain circumstances.

Total dividends and yield*
Total dividends represent interim and final dividends declared by the Company for a particular year. The yield is the amount of cash (in percentage terms) that is returned to the owners of the security, in the form of interest or dividends received from it. Normally, it does not include the price variations, distinguishing it from the total return.

	Page	30 September 2024	30 September 2023	
Interim and final dividends paid/payable (cents)[1]	98	9.50	8.00	(a)
Ordinary share price (cents)	99	194.50	175.76	(b)
Yield (c = a/b) (%)		**4.9**	**4.6**	**(c)**

[1] Comprising dividends declared/paid for the twelve months to 30 September.

* Alternative Performance Measure.

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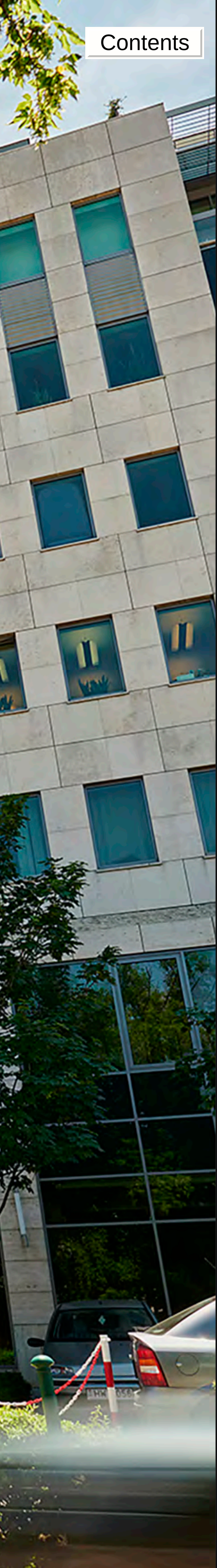
otpbank



Annual general meeting

We increased our exposure to Hungary by adding to our investment in OTP Bank.

PHOTO COURTESY OF OTP BANK

Notice of annual general meeting

Notice is hereby given that the next Annual General Meeting of BlackRock Frontiers Investment Trust plc (the Company) will be held at the offices of BlackRock Investment Management (UK) Limited, at 12 Throgmorton Avenue, London EC2N 2DL on Wednesday, 5 February 2025 at 12.30 p.m. for the purpose of considering and, if thought fit, passing the following resolutions. Resolutions 1 to 11 are proposed as ordinary resolutions and resolutions 12 to 14 are being proposed as special resolutions.

Ordinary business

Ordinary resolutions

1. To receive the report of the Directors of the Company and the Financial Statements for the year ended 30 September 2024, together with the report of the Auditor thereon.

2. To approve the Directors' Remuneration Report for the year ended 30 September 2024.

3. To approve the payment by the Company of a final dividend of 6.00 cents per ordinary share in respect of the year ended 30 September 2024.

4. To re-elect Katrina Hart as a Director.

5. To re-elect Stephen White as a Director.

6. To re-elect Elisabeth Airey as a Director.

7. To re-elect Lucy Taylor-Smith as a Director.

8. To elect Hatem Dowidar as a Director.

9. To reappoint Ernst & Young LLP as Auditor to the Company to hold office until the conclusion of the next Annual General Meeting of the Company.

10. To authorise the Audit and Management Engagement Committee to determine the Auditor's remuneration.

Special business

Ordinary resolutions

11. That, in substitution for all existing authorities, the Directors of the Company be and they are hereby generally and unconditionally authorised pursuant to Section 551 of the Companies Act 2006 (the Act), to exercise all the powers of the Company to allot ordinary shares of US$0.01 each in the capital of the Company ("Shares") and to grant rights to subscribe for or to convert any security into Shares ("Securities"), up to an aggregate nominal amount of US$189,300.74 (being 10% of the aggregate nominal amount of the issued ordinary share capital of the Company, excluding treasury shares, at the date of this notice), or, if different, such amount as represents 10% of the aggregate nominal amount of the issued ordinary share capital of the Company, excluding treasury shares, as at the date of the passing of this resolution, provided this authority shall expire at earlier of 31 March 2026 and the conclusion of the annual general meeting to be held in 2026 but so that the Company may, before such expiry, make any offer or agreement which would or might require Securities to be allotted pursuant to any such offer or agreement as if the authority hereby conferred had not expired.

Special resolutions

To consider and, if thought fit, pass the following resolutions as special resolutions:

12. That, in substitution for all existing authorities and subject to the passing of resolution 11, the Directors of the Company be and are hereby empowered pursuant to Sections 570 and 573 of the Act to allot and make offers or agreements to allot equity securities (as defined in Section 560 of the Act), and to sell equity securities held by the Company as treasury shares (as defined in Section 724 of the Act) for cash pursuant to the authority granted by the resolution numbered 11, as if Section 561(1) of the Act did not apply to any such allotments and sales of equity securities, provided that this power:

    (a) shall expire at the earlier of 31 March 2026 and the conclusion of the annual general meeting of the Company to be held in 2026, except that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted or sold after such expiry and notwithstanding such expiry the Directors may allot and sell equity securities in pursuance of such offers or agreements;

(b) shall be limited to the allotment of equity securities and/or the sale of equity securities held in treasury for cash up to an aggregate nominal amount of US$189,300.74 (representing approximately 10% of the aggregate nominal amount of the issued ordinary share capital of the Company at the date of this notice) or, if different, such amount as represents 10% of the Company's issued share capital as at the date of the passing of this resolution; and

(c) shall be limited to the allotment of equity securities and/or the sale of equity securities held in treasury at a price of not less than the net asset value per ordinary share.

13. That, in addition to any existing authorities the Company be and it is hereby authorised in accordance with Section 701 of the Act to make market purchases within the meaning of Section 693(4) of the Act of Shares provided that:

(a) the maximum number of shares hereby authorised to be purchased is 28,376,182 (being the equivalent of 14.99% of the Company's issued share capital, excluding treasury shares, at the date of this notice) or, if different, such amount as represents 14.99% of the Company's issued share capital, excluding treasury shares, as at the date of the passing of this resolution;

(b) the minimum price (exclusive of expenses) which may be paid for a share shall be 1 cent (or the British Pound Sterling currency equivalent), being the nominal value per share;

(c) the maximum price (exclusive of expenses) which may be paid for a share shall be the higher of:

(i) 5% above the average of the market value of a Share for the five business days immediately preceding the date of the purchase as derived from the Daily Official List of the London Stock Exchange; and

(ii) the higher of the price quoted for (a) the last independent trade of and (b) the highest current independent bid for, any number of shares on the trading venue where the purchase is carried out; and

(d) the authority hereby conferred shall expire at the earlier of 31 March 2026 and the conclusion of the annual general meeting of the Company in 2026 save that the Company may, prior to such expiry, enter into a contract to purchase shares which will or may be completed or executed wholly or partly after such expiry.

All shares purchased pursuant to the above authority shall be either:

(a) held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Act; or

(b) cancelled immediately upon completion of the purchase.

14. That, the period of notice required for general meetings of the Company (other than Annual General Meetings) shall be not less than 14 clear days' notice.

By order of the Board

KEVIN MAYGER
For and on behalf of
BlackRock Investment Management (UK) Limited
Company Secretary
4 December 2024

Registered Office:
12 Throgmorton Avenue
London EC2N 2DL

Notice of annual general meeting

continued

Notes:

1. A member entitled to attend, speak and vote at the meeting convened by the above Notice is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend, speak and vote in his place. A proxy need not be a member of the Company. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by the member.
2. To appoint a proxy, you may use the form of proxy enclosed with this Annual Report. To be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of the same, must be completed and returned to the office of the Company's registrar in accordance with the instructions printed thereon as soon as possible and in any event by 12.30 p.m. on Monday, 3 February 2025 (excluding non-working days). Amended instructions must also be received by the Company's registrar by the deadline for receipt of proxies. Alternatively, you can vote or appoint a proxy electronically by visiting eproxyappointment.com. You will be asked to enter the Control Number, the Shareholder Reference Number and PIN which are printed on the form of proxy. The latest time for the submission of proxy votes electronically is 12.30 p.m. on Monday, 3 February 2025 (excluding non-working days).
3. Proxymity Voting – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12:30 p.m. on Monday, 3 February 2025 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
4. Completion and return of the form of proxy will not prevent a member from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will be automatically terminated.
5. Any person (a "Nominated Person") receiving a copy of this Notice as a person nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (the Act) should note that the provisions in notes 1 and 2 above concerning the appointment of a proxy or proxies to attend the meeting in place of a member, do not apply to a Nominated Person as only shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such agreement to give instructions to the member as to the exercise of voting rights at the meeting.
6. Nominated Persons should also remember that their main point of contact in terms of their investment in the Company remains the member who nominated the Nominated Person to enjoy the information rights (or perhaps the custodian or broker who administers the investment on their behalf). Nominated Persons should continue to contact that member, custodian or broker (and not the Company) regarding any changes or queries relating to the Nominated Person's personal details and interest in the Company (including any administrative matter). The only exception to this is where the Company expressly requests a response from the Nominated Person.
7. Only shareholders registered in the register of members of the Company by not later than 6.00 p.m. on Monday, 3 February 2025 shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at such time. If the meeting is adjourned, the time by which a person must be entered on the register of members of the Company in order to have the right to attend and vote at the adjourned meeting is 6.00 p.m. two days prior to the date of the adjournment. Changes to the register of members after the relevant times shall be disregarded in determining the rights of any person to attend and vote at the meeting.
8. In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
9. Shareholders who hold their shares electronically may submit their votes through CREST, by submitting the appropriate and authenticated CREST message so as to be received by the Company's registrar by 12.30 p.m. on Monday, 3 February 2025 (excluding non-working days). Instructions on how to vote through CREST can be found by accessing the following website: euroclear.com/CREST. Shareholders are advised that CREST and the internet are the only methods by which completed proxies can be submitted electronically.
10. If you are a CREST system user (including a CREST personal member) you can appoint one or more proxies or give an instruction to a proxy by having an appropriate CREST message transmitted. To appoint one or more proxies or to give an instruction to a proxy (whether previously appointed or otherwise) via the CREST system, CREST messages must be received by Computershare (ID number 3RA50) by 12.30 p.m. on Monday, 3 February 2025 (excluding non-working days). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which Computershare is able to retrieve the message. CREST personal members or other CREST sponsored members should contact their CREST sponsor for assistance with appointing proxies via CREST. For further information on CREST procedures, limitations and system timings please refer to the CREST manual. The Company may treat as invalid a proxy appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
11. If the Chair, as a result of any proxy appointments, is given discretion as to how the votes subject of those proxies are cast and voting rights in respect of those discretionary proxies, when added to the interest in the Company's securities already held by the Chair, result in the Chair holding such number of voting rights that he has a notifiable obligation under the Disclosure Guidance and Transparency Rules, the Chair will make the necessary notifications to the Company and the Financial Conduct Authority. As a result, any member holding 3% or more of the voting rights in the Company, who grants the Chair a discretionary proxy in respect of some or all of those voting rights and so would otherwise have a notification obligation under the Disclosure Guidance and Transparency Rules, need not make a separate notification to the Company and the Financial Conduct Authority.

12. Any question relevant to the business of the meeting may be asked at the meeting by anyone permitted to speak at the meeting. A shareholder may alternatively submit a question in advance by a letter addressed to the Company Secretary at the Company's registered office. Under Section 319A of the Act, the Company must answer any question a shareholder asks relating to the business being dealt with at the meeting, unless (i) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information; (ii) the answer had already been given on a website in the form of an answer to a question; or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares.

14. Under Section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:

    (i) the audit of the Company's financial statements (including the auditor's report and the conduct of the audit) that are laid before the meeting; or

    (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Act. The Company may not require the members requesting such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under Section 527 of the Act to publish on a website.

15. Under Sections 338 and 338A of the Act, members meeting the threshold requirements in those sections have the right to require the Company:

    (i) to give, to members of the Company entitled to receive notice of the meeting, notice of a resolution which may properly be moved and is intended to be moved at the meeting; and/or

    (ii) to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may be properly included in the business.

    A resolution may properly be moved or a matter may properly be included in the business unless:

    (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise);

    (b) it is defamatory of any person; or

    (c) it is frivolous or vexatious.

    Such a request may be in hard copy form or in electronic form, and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it, must be received by the Company not later than 25 December 2024, being the date six weeks clear before the meeting and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

16. Further information regarding the meeting which the Company is required by Section 311A of the Act to publish on a website in advance of the meeting (including this Notice), can be accessed at www.blackrock.com/uk/brfi.

17. As at the date of this report, the Company's issued share capital comprised 241,822,801 ordinary shares of 1 cent each (including 52,522,053 of which are held in treasury) with 1 voting right per share, and 50,000 management shares of £1.00 each (which do not carry voting rights). Each ordinary share carries the right to one vote at general meetings. Therefore, the total number of voting rights in the Company on 4 December 2024 is 189,300,748.

18. No service contracts exist between the Company and any of the Directors, who hold office in accordance with letters of appointment and the Articles. Copies of the Directors' letters of appointment will be available for inspection at the Company's registered office from 4 December 2024 until the time of the meeting and at the meeting venue itself for at least 15 minutes prior to the meeting until the end of the meeting.

Share fraud warning

Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

- **contacted out of the blue**
- **promised tempting returns and told the investment is safe**
- **called repeatedly, or**
- **told the offer is only available for a limited time?**

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1. **Reject cold calls**
   If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2. **Check the FCA Warning List**
   The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3. **Get impartial advice**
   Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at **www.fca.org.uk/consumers**. You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at **www.fca.org.uk/scamsmart**

Remember: if it sounds too good to be true, it probably is!

SGN001

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Printed by Park Communications on FSC® certified paper.

Park works to the EMAS standard and its Environmental Management System is certified to ISO 14001.

This publication has been manufactured using 100% offshore wind electricity sourced from UK wind.

100% of the inks used are vegetable oil based, 95% of press chemicals are recycled for further use and, on average 99% of any waste associated with this production will be recycled and the remaining 1% used to generate energy.

This document is printed on paper made of material from well-managed FSC®-certified forests and other controlled sources.

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