

BlackRock[®]

BlackRock Frontiers Investment Trust plc

Half Yearly Financial Report 31 March 2024



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

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



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Financial highlights

as at 31 March 2024

192.96 cents

Ordinary share price

+12.7%^{1,2}

152.75 pence

Ordinary share price

+8.9%^{1,2}

209.88 cents

Net asset value (NAV) per ordinary share

+12.0%^{1,2}

166.14 pence

NAV per ordinary share

+8.2%^{1,2}

+8.6%

Benchmark Index³
(US\$)

+4.9%

Benchmark Index³
(GBP)

3.50 cents

Interim dividend

+12.9%

4.4%^{2,4}

Yield

US\$397.4m

Net assets

+9.3%

The above financial highlights are as at 31 March 2024 and percentage comparisons are against 30 September 2023.

¹ Mid-market share price and NAV performance is calculated in British Pound Sterling (GBP) and US Dollar terms with dividends reinvested. Based on an exchange rate of US\$1.2633 to £1 at 31 March 2024 and US\$1.2206 to £1 at 30 September 2023.

² Alternative Performance Measure, see Glossary on pages 40 to 45.

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

⁴ Based on dividends paid and declared for the twelve months to 31 March 2024 and the share price as at 31 March 2024.



Vietnam is benefiting from an ongoing global supply chain reconfiguration. Multinationals such as Apple, Dell and HP have announced plans for expanding manufacturing operations in Vietnam.

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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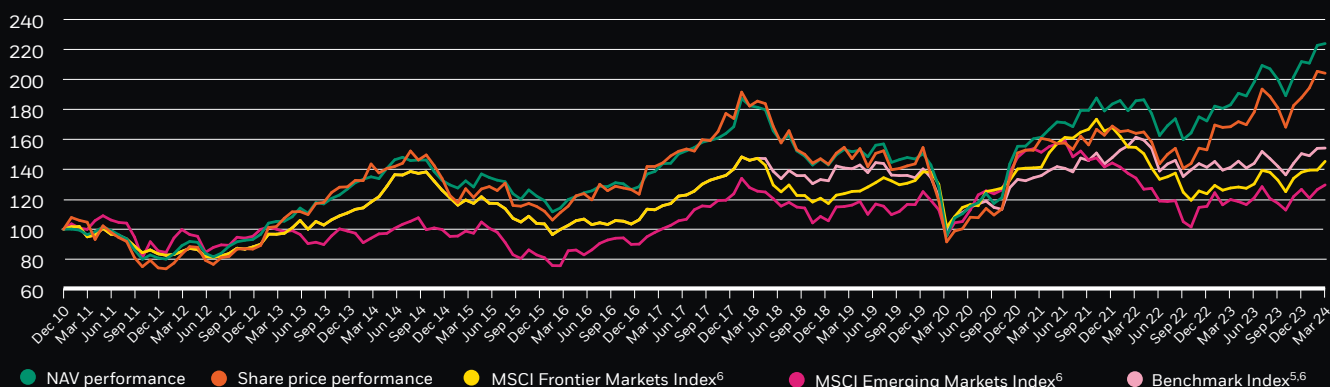
Performance record

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 31 March 2024	As at 30 September 2023
US Dollar		
Net assets (US\$'000) ¹	397,362	363,598
Net asset value per ordinary share (cents)	209.88	192.05
Ordinary share price (mid-market) ² (cents)	192.96	175.76
British Pound Sterling		
Net assets (£'000) ^{1,2}	314,555	297,897
Net asset value per ordinary share ² (pence)	166.14	157.35
Ordinary share price (mid-market) (pence)	152.75	144.00
Discount ³	8.1%	8.5%

Performance	For the six months ended 31 March 2024 %	For the year ended 30 September 2023 %	Since inception ⁴ %
US Dollar			
Net asset value per share (with dividends reinvested) ³	+12.0	+25.1	+123.9
Benchmark Index ^{5,6}	+8.6	+5.0	+54.3
MSCI Frontier Markets Index ⁶	+9.4	+6.5	+45.3
MSCI Emerging Markets Index ⁶	+10.4	+11.7	+29.6
Ordinary share price (with dividends reinvested) ³	+12.7	+28.8	+104.2
British Pound Sterling			
Net asset value per share (with dividends reinvested) ³	+8.2	+14.3	+175.4
Benchmark Index ^{5,6}	+4.9	-3.9	+89.0
MSCI Frontier Markets Index ⁶	+5.7	-2.6	+79.3
MSCI Emerging Markets Index ⁶	+6.7	+2.2	+59.9
Ordinary share price (with dividends reinvested) ³	+8.9	+17.7	+150.8

Performance since inception on 17 December 2010 to 31 March 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 period.

² Based on an exchange rate of US\$1.2633 to £1 at 31 March 2024 and US\$1.2206 to £1 at 30 September 2023.

³ Alternative Performance Measures, see Glossary on pages 40 to 45.

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 + MSCI Saudi Arabia 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 Datastream.

Chair's Statement



Katrina Hart
Chair

Dear Shareholder,

I am pleased to present the Company's Half Yearly Financial Report for the six months to 31 March 2024.

Period highlights

- NAV total return of +12.0%, well ahead of the Benchmark Index return of +8.6% (in US Dollar terms with dividends reinvested);
- Share price total return of +12.7% (in US Dollar terms with dividends reinvested);
- Share price total return of +8.9% (in British Pound Sterling terms with dividends reinvested);
- Declared interim dividend of 3.50 cents per share; and
- Yield of 4.4% (based on the share price at 31 March 2024, interim dividend for 2024 and final dividend for 2023).

Performance and overview

The portfolio managers' unique strategy and investment process have again enabled the Company to perform strongly during the period, comfortably beating our Benchmark Index. In fact, the Company has outperformed its Benchmark in five of the past six 6-month periods. The portfolio managers' ability to identify and expose the portfolio to exciting and uncorrelated themes is, we believe, a key competitive advantage.

During the six months to 31 March 2024, the Company achieved a NAV total return in US Dollars of +12.0%, outperforming its Benchmark Index which returned +8.6%. More importantly, outperformance of the benchmark has totaled 47.6% over five years, which we consider to be a more appropriate time frame on which to assess performance. Over the six month period to 31 March 2024, the Company's share price total return in US Dollar terms with dividends reinvested was +12.7%.

As you will read in the Investment Manager's Report which follows, our portfolio managers describe an improving macroeconomic backdrop for many countries across Frontier Markets, often arising from the implementation of more orthodox fiscal policy, relatively low interest rates and greater political stability, together providing a fertile environment for growth. The portfolio is exposed to a broad range of fast-growing companies across Latin America, Central Eastern Europe, the Middle East and the ASEAN region and our portfolio managers continue to selectively add exposure where they see the greatest opportunity, evolving the portfolio through economic and market cycles.

Our portfolio managers provide a detailed description of the key contributors to and detractors from performance during the period, portfolio activity and their views on the outlook for the second half of the financial year in their report which follows on pages 8 to 10.

Chair's Statement

continued

Revenue return and dividends

The Company's revenue return per share for the six months ended 31 March 2024 amounted to 3.30 cents (six months ended 31 March 2023: 2.74 cents). Accordingly, the Board is pleased to declare an interim dividend of 3.50 cents per share (2023: 3.10 cents per share). This interim dividend is payable on 2 July 2024 to shareholders on the Company's register on 14 June 2024. The shares will go ex-dividend on 13 June 2024. During the period the final dividend of 4.90 cents per share for the year ended 30 September 2023, which was declared on 29 November 2023, was paid to shareholders on 14 February 2024.

This higher interim dividend is reflective of an increase in the amount of revenue generated, which the portfolio managers believe is sustainable given that it is broadly representative of the underlying earnings growth in the companies held within the portfolio. There can, of course, be no guarantee of the level of future revenue derived from the portfolio nor, therefore, the amount of dividends that may be paid.

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 generated leverage in the portfolio through its contracts for difference (CFD) exposure during the period. As at 31 March 2024, net gearing stood at 17.7%, compared to 12.0% at 30 September 2023, reflecting our portfolio managers' positive views on the outlook and opportunities in frontier markets.

Fees and charges

As a result of the outperformance of the Benchmark Index during the period, a performance fee of US\$3.9m has been accrued but not paid. Should this outperformance continue to the end of the financial year, the Investment Manager will earn a performance fee.

As a Board, we regularly review our fees and charges. We conducted a detailed, formal fee review towards the end of last year, which was supplemented by an analysis of our fee structure by a third party. The Board concluded that the fees charged represented good value and that the Company's fee structure and quantum remained appropriate. Further details of the Company's costs and charges can be found in note 4 on page 28 and in the Glossary on pages 43 and 44.

Board composition

On 1 February 2023 the Board announced that, as part of its ongoing succession plans, it had undertaken a search process to identify a replacement for Mr Zok whose in-depth knowledge and on the ground insights into the culture, customs and business practices in the Middle East had been invaluable.

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.

Share capital

For the period under review, the Company's ordinary shares traded at an average discount to NAV of 8.5%, and this had narrowed to 8.1% on a cum-income basis at 31 March 2024. By comparison, the weighted average discount of the AIC Global Emerging Markets peer group during the period under review was 10.8%.

As at 28 May 2024, the discount stood at 6.3% (compared to a weighted average discount for the peer group of 12.1%). The Directors believe that it is in shareholders' interests that the Company's share price does not trade at a significant discount or premium to its underlying NAV. Accordingly, the Directors, in conjunction with the Company's broker, monitor the level of discount or premium closely and will consider the issue of ordinary shares at a premium or repurchase at a discount to help balance demand and supply in the market if they believe it is in shareholders' interests to do so. In determining whether to proceed, Directors review a range of factors, including the ongoing attractiveness of the investment offering, the prevailing market conditions and the discount level in absolute terms and relative to that of the peer group. Based on the Directors' assessment of the reasons behind the Company's discount, no shares were bought back, issued, or reissued from treasury during the period or up to the date of this report.

The Directors currently have the authority to buy back shares in the market equivalent to 14.99% of the Company's issued share capital and also to issue new shares equivalent to 10% of the Company's issued share capital (excluding any shares held in treasury). The Board will seek a renewal of these authorities from shareholders at the AGM.

Shareholder communication

I was delighted to offer my first meetings as Chair to several of our shareholders during the period. 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 regular and high quality information is to our shareholders. To supplement the Company's website, we offer shareholders the ability to sign up to the BlackRock 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.

Outlook

Since the period end and up to 28 May 2024, the net asset value per share of the Company has decreased by 2.4% versus a decrease in the Benchmark Index of 1.8% over the same period. Notwithstanding this short period of light underperformance, the Board shares our portfolio managers' excitement around the breadth of opportunities in what remains a dynamic investment universe. They continue to travel the globe, seeking out under researched companies that offer superior growth potential.

As investors, they are emboldened by the opportunity set, noting the improving fundamentals of several countries to which we have previously had a material exposure, such as Egypt, Kenya, Nigeria, Pakistan and Sri Lanka. As always, they remain flexible and nimble, leveraging their experience and BlackRock's extensive resources to unearth the 'hidden gems' on offer in Frontier Markets.

Katrina Hart

Chair

30 May 2024

Investment Manager's Report



Sam Vecht
Co-portfolio Manager



Emily Fletcher
Co-portfolio Manager



Sudaif Niaz
Co-portfolio Manager

Market review

A common theme in our communication with clients over the past one and a half years has been the world splitting along geopolitical alliances; Eastern aligned, US/Western aligned, and the rest – with the latter group standing to benefit greatly over the medium-term as trade channels strengthen and they increase their share of global foreign direct investment (FDI). The emergence of this new world order has become ever more prevalent over the past six months, as our insights from on-the-ground research have reinforced.

In 2024, approximately 75 countries, representing over half of the world's population, are heading to the polls. The outcomes of these elections could potentially alter both domestic and foreign policies. The sheer number of elections globally signifies a period of potential political volatility, but also presents unique opportunities. This could lead to shifts in power dynamics, policy changes, and economic adjustments, creating both risks and opportunities. A few of these elections, including those in Bangladesh, Indonesia, El Salvador, and Slovakia, have already taken place. Prabowo Subianto, the incoming president of Indonesia, is expected to maintain the largely positive policy direction set by his predecessor, Joko Widodo. We therefore maintain our positive view on the country and have made few changes to our positioning. Bangladesh kicked off this political cycle with elections taking place on 7 January 2024, which the incumbent Awami League government won, largely uncontested.

Over this period, we have also seen market reforms unfold and liquidity improve in some of the smaller emerging markets. In Bangladesh, regulators removed price floor restrictions for most stocks in January, which augurs well for broader participation in the market. Nigeria's new president, Bola Tinubu, has overseen significant reforms since taking up his post in May 2023. Whilst the country continues to face significant real challenges, with the reduction in oil production volumes over the past few years weighing on revenues, we have seen significant liberalisation in central bank policy. Since the election in May 2023, the Nigerian Naira has devalued from 500 NGN/USD to approximately 1400 NGN/USD.

In terms of performance, a variety of different markets within our universe have done well. In Latin America, Argentina was the stand-out performer, climbing +55.3%. Since taking office on 10 December last year, in yet another notable election, president Javier Milei has set out an agenda to enact the most radical reforms ever seen in Argentina, including harmonising the various currency rates and significant spending cuts in the public sector.

In Europe and the Middle East, performance was characterised by greater dispersion. Poland (+43.1%) was the best performing market, buoyed by the opposition win following the elections that took place in mid-October. The new government is seen as pro-European Union and the results were well received by the market. Greece (+20.2%) was another strong performer, helped by positive earnings revisions. By contrast, Egypt (-13.8%) lagged the rest of the region. However, outlook for the country has significantly improved post a very significant land transaction deal with the United Arab Emirates (UAE) which raised US Dollar 35 billion. The country also secured an expanded USD 8 billion deal with the International Monetary Fund (IMF) after devaluing its currency and raising interest rates by 6.0%.

ASEAN markets did well with the exception of Thailand (-3.7%). Performance there has lagged primarily due to political instability and a depreciating currency, on the heels of substantial capital outflows from foreign investors. The Philippines (+13.3%) and Malaysia (+7.9%) were the best performing markets within the region. Our relative country allocation left us well placed to benefit from this dispersion in performance.

From the road

Over the last six months, our trips have taken us across five different continents, and we have spent a considerable amount of time in many of the smaller markets within our universe, hunting for alpha. Some of the markets we have visited have been absent from the portfolio for an extended period of time, but a select few of these markets have now started to flag positively through our macro process and we expect their economies to see an upswing in activity post extended downturns, external rebalancing, under-valued currency, and relatively stable politics. Examples include Egypt, Kenya, Nigeria and Pakistan.

We had a packed agenda for our trip to Kenya which emphasised the high calibre of policy makers and management teams that we see in the region. We have seen that a number of companies listed here are expanding cross continent, opening significant avenues for future growth – something we think is probably not captured in valuations, with the market trading at ~5x price to earnings. We learnt a huge amount visiting Nigeria for the first time in three years, meeting a number of key officials appointed post election. Given the huge population in Nigeria, the opportunity for businesses to grow and scale in this country remains significant.

Some of the other countries we have travelled to include Kuwait and the UAE in the Middle East. Dubai has grown in stature as a regional centre having remained open through the COVID-19 pandemic and escalation of global geopolitical tensions. It has enjoyed a significant amount of capital flows in terms of FDI. A similar story can be told about Saudi Arabia, a country we visited in November 2023. However, we continue to see fast rates of social change with multiple entertainment venues expanding in Riyadh. The government has taken significant steps to enhance the tourism potential for both locals and foreigners. Some of the larger banks, such as Saudi National Bank, are participating in this evolution.

In South America, countries we have visited include Argentina, Costa Rica, Ecuador and Panama, among others. Our trip to Ecuador gave us confidence that the political leadership under President Noboa will remain supportive of responsible mining in the country. For Argentina, we think the country needs to go through a painful adjustment process and we worry about the hardship that this inflicts on society. We are hopeful that the country will come out stronger after the adjustment process.

Portfolio review

In the six months to 31 March 2024, the Company's NAV returned 12.0% (on a US Dollar basis with dividends reinvested), outperforming its Benchmark Index (the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets + MSCI Saudi Arabia Index) which returned 8.6%. Over the same period the MSCI Emerging Markets Index rose by 10.4% and MSCI Frontier Markets Index rose by 9.4%. Since inception, the Company's NAV has returned 123.9%, compared with 54.3% for its Benchmark Index. For reference, the MSCI Frontier Markets Index and the MSCI Emerging Markets Index returned 45.3% and 29.6%, respectively (all percentages in US Dollar terms with dividends reinvested).

Several stock picks across a variety of different markets did well. **PKO Bank Polski** (+69.9%) was the strongest performer over the period. The Polish market rallied following the elections that took place in mid-October. Turkish Gold operator **Eldorado Gold** (+57.2%) was another strong contributor. The stock price has been supported by the latest surge in gold prices. Kazakhstan exposure was additive through our holdings in e-commerce company **JSC Kaspi** (+35.4%) and **Halyk Savings Bank** (+32.1%). The former rallied after releasing 2023 full year numbers, showing net profit up 60% year-over-year, strong growth across all business verticals, and an improvement in e-commerce take rate. Elsewhere, Indonesian exposure, through our holding in **Bank Syariah Indonesia** (+61.1%), also did well after the company delivered strong profit growth in the last quarter of 2023. Another notable contributor to performance over the period was **Bank of Georgia** (+46.8%). The passing of the Georgian Foreign Agents bill has had an impact on the stock price since and we are monitoring the situation closely. The share price rose following news of the company's acquisition of Armenian bank Ameriabank, which will allow Bank of Georgia to access the rapidly growing Armenian market. In Latin America, Argentinean exposure through energy company **Vista Oil & Gas** (+32.9%) and Colombian exposure through bank **Bancolombia** (+36.2%) were amongst the largest contributors.

Investment Manager's Report

continued

On the other hand, **Astra International** (-16.9%), the Indonesian conglomerate, weighed on returns. Performance lagged due to concerns the company has been slow to ramp into electric vehicles in the Indonesian market and risks losing out to Chinese competition. **LPP** (-6.9%), a Polish clothing manufacturer was another detractor over the period following a short seller report released by Hindenburg Research claiming the company has operations in Russia. Ukrainian iron ore pellet producer **Ferrexpo** (-44.3%) continued to weigh on performance in March. In addition to the cancellation of the dividend announced in January, the company communicated that it needed more time to finalise full year results, following potential proceedings related to one of its mining units in Ukraine. We had a very small position in this stock and have since exited the position.

We added to Greece through initiating a position in **Athens International Airport**. We believe Athens should see strong traffic growth. We added to our holding in property developer **Ayala Land** and therefore increased our exposure to the Philippines. We also added to our holding in the Philippines based resort and casino operator **Bloomberry**. This remains a high conviction stock as we are positive on the new property outlook. Elsewhere, we increased our exposure to the financials space in Saudi Arabia by initiating a position in **Al Rajhi Bank** as we believe its net interest margins are sustainable and that the bank will outperform peers in the case of rate cuts. We exited our holding in Polish bank PKO Bank Polski to lock in profits.

Outlook

As higher global interest rates continue to feed through into the real economy, we expect some moderation of demand in developed markets. We note slowing credit growth in particular in the US. In contrast, we continue to see improving activity levels in frontier and smaller emerging markets. With inflation falling across many countries, rate cuts have started to materialize in some areas of our universe. This is a good set up for domestically oriented economies to see a cyclical pick up.

Over the period, we have increased our exposure to the Philippines. The macroeconomic backdrop has improved and with low/declining foreign ownership and likely peaking rates, we see relative risk reward with domestic consumption recovering. Another ASEAN market we continue to like is Indonesia. The size of the increase that we are seeing in nickel exports is such that the structural current account deficit of around 3% of GDP that Indonesia saw pre COVID-19 has shrunk to circa 1.5% of GDP. This should have the benefit of making Indonesia less reliant on borrowing from abroad and attracting foreign capital, potentially resulting in increased domestic liquidity and higher economic growth.

We have initiated small positions in a number of countries where we have not been invested for some time, including Bangladesh, Egypt, Kenya, Nigeria and Pakistan. The combination of COVID-19, inflation and high global rates has been difficult in the past few years for smaller countries that are reliant on borrowing externally to fund 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 reaccelerate and 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 small emerging and frontier markets versus developed markets. We find significant value in currencies and equity markets across our investment opportunity set, and we are particularly excited about the opportunities we see in many of the smaller markets. Our investment universe, in absolute and relative terms, also remains under-researched. We believe this to be the perfect hunting ground and should continue to enable compelling investment opportunities.

Sam Vecht, Emily Fletcher and Sudaif Niaz

BlackRock Investment Management (UK) Limited

30 May 2024

Ten largest investments¹

as at 31 March 2024

The Company's ten largest investments represented 33.7% of the Company's portfolio as at 31 March 2024 (30 September 2023: 32.2%).

1 ▲ Saudi National Bank Corporation² (2023: 2nd)

Financials (Saudi Arabia)

Portfolio value: US\$19,071,000

Percentage of net assets: 4.8% (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.

2 ▼ Bank Central Asia (2023: 1st)

Financials (Indonesia)

Portfolio value: US\$18,794,000

Percentage of net assets: 4.7% (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.

3 ► JSC Kaspi (2023: 3rd)

Financials (Kazakhstan)

Portfolio value: US\$15,103,000

Percentage of net assets: 3.8% (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.

4 ▲ Emaar Properties (2023: 6th)

Real Estate (United Arab Emirates)

Portfolio value: US\$13,418,000

Percentage of net assets: 3.4% (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.

5 ▲ FPT² (2023: 7th)

Information Technology (Vietnam)

Portfolio value: US\$12,716,000

Percentage of net assets: 3.2% (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

continued

6 ▲ Abdullah Al Othaim Markets² (2023: 16th)

Consumer Staples (Saudi Arabia)

Portfolio value: US\$11,792,000

Percentage of net assets: 3.0% (2023: 2.4%)

Abdullah Al Othaim Markets is a large retailer in Saudi Arabia, operating supermarkets, hypermarkets, convenience stores and wholesale outlets. They also have a small presence in Egypt. The company is looking to disrupt the current landscape which is largely dominated by mom-and-pop stores.

7 ▲ Ayala Land (2023: 34th)

Real Estate (Philippines)

Portfolio value: US\$11,533,000

Percentage of net assets: 2.9% (2023: 1.8%)

Ayala Land is a Philippines-based property developer. The company is focused on developing integrated and mixed-use real estate. It operates through eight segments: property development, international business, shopping centres, offices, hotels and resorts, construction, property management and other.

8 ▲ Etihad Etisalat² (2023: n/a)

Communication Services (Saudi Arabia)

Portfolio value: US\$10,868,000

Percentage of net assets: 2.7% (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.

9 ▲ Wizz Air Holdings (2023: 15th)

Industrials (Hungary)

Portfolio value: US\$10,455,000

Percentage of net assets: 2.6% (2023: 2.5%)

Wizz Air Holdings, legally incorporated as Wizz Air Hungary Ltd, is a Hungarian ultra-low-cost carrier listed on the London Stock Exchange but with a head office in Budapest, Hungary. The airline serves many cities across Europe, as well as some destinations in North Africa, the Middle East and South Asia.

10 ▲ Bank of Georgia (2023: 24th)

Financials (Georgia)

Portfolio value: US\$10,220,000

Percentage of net assets: 2.6% (2023: 2.5%)

Bank of Georgia is a UK incorporated financial services holding company with its registered office in London, and its corporate headquarters in Tbilisi, Georgia.

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.

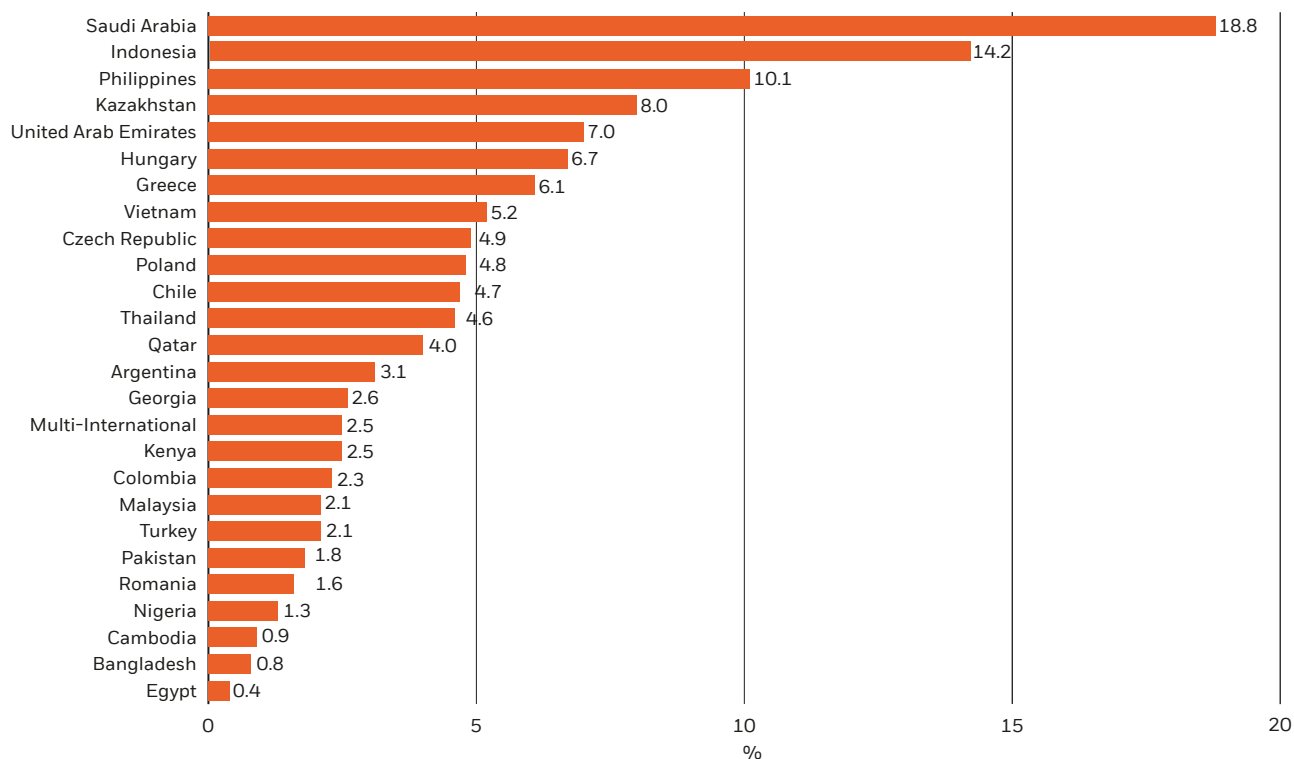
Percentages in brackets represent the portfolio holding as at 30 September 2023.

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

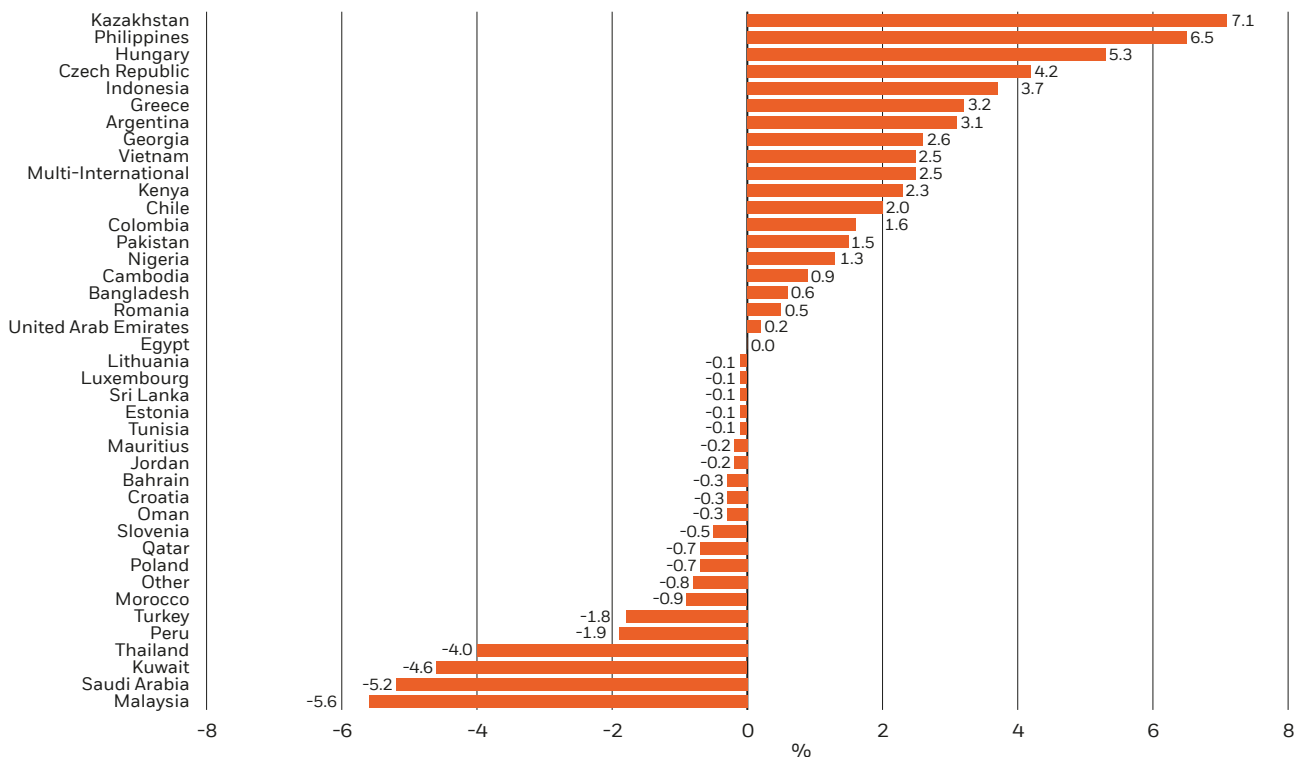
Portfolio analysis

as at 31 March 2024

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



Country allocation relative to the Benchmark Index (%)¹

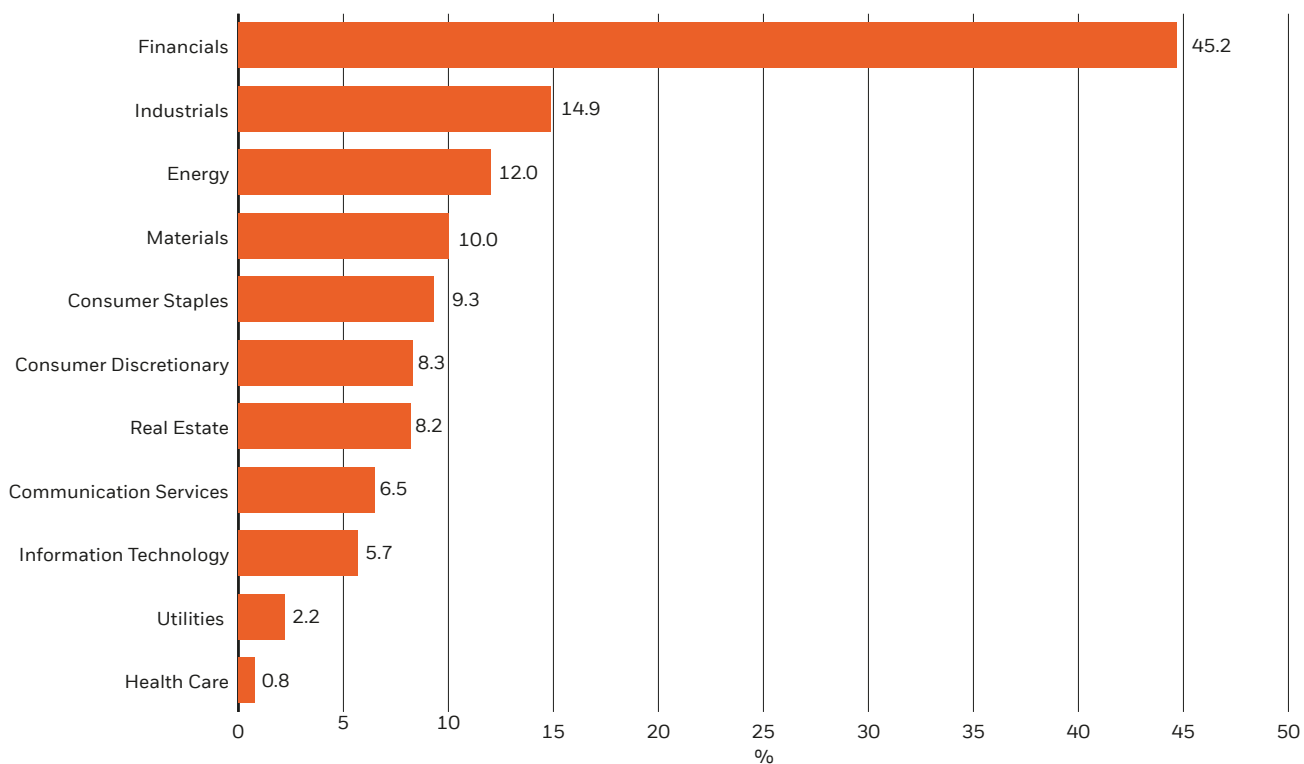


¹ Includes exposure gained through equity positions and long and short CFD positions.
Sources: BlackRock and Datastream.

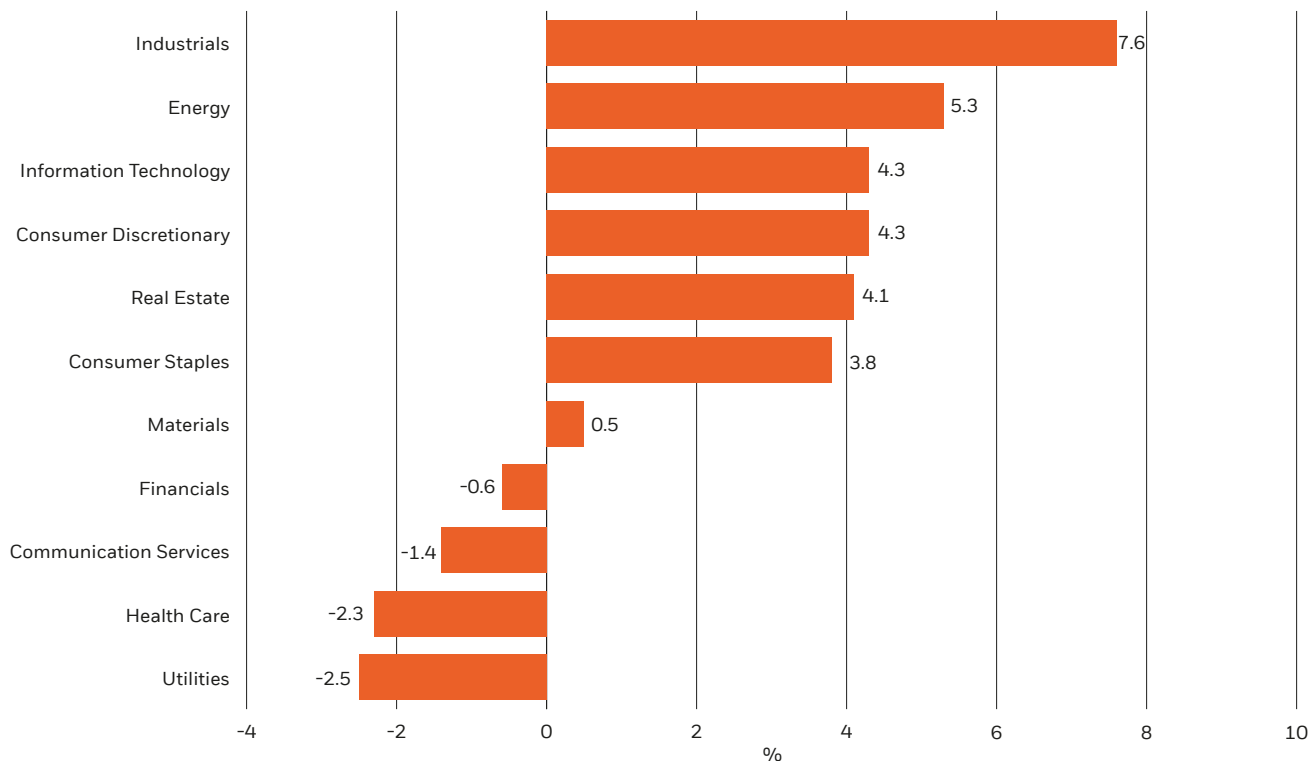
Portfolio analysis

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 Datastream.

Investments

as at 31 March 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	18,794	4.7
Astra International	Indonesia	Industrials	8,716	2.2
Ciputra Development	Indonesia	Real Estate	7,609	1.9
Bank Rakyat	Indonesia	Financials	7,528	1.9
Mitra Adiperkasa	Indonesia	Consumer Discretionary	7,382	1.9
Bank Syariah Indonesia	Indonesia	Financials	6,775	1.6
			56,804	14.2
Ayala Land	Philippines	Real Estate	11,533	2.9
International Container Terminal Services	Philippines	Industrials	8,262	2.1
Bloomberry	Philippines	Consumer Discretionary	8,185	2.1
Metrobank	Philippines	Financials	7,516	1.9
Jollibee Foods	Philippines	Consumer Discretionary	4,639	1.1
			40,135	10.1
JSC Kaspi	Kazakhstan	Financials	15,103	3.8
Halyk Savings Bank	Kazakhstan	Financials	9,130	2.3
Kazatomprom	Kazakhstan	Energy	7,700	1.9
			31,933	8.0
OTP Bank	Hungary	Financials	9,040	2.3
Wizz Air Holdings	Hungary	Industrials	7,636	1.9
MOL Group	Hungary	Energy	7,489	1.8
			24,165	6.0
Athens International Airport	Greece	Industrials	10,146	2.6
National Bank of Greece	Greece	Financials	8,181	2.1
OPAP	Greece	Consumer Discretionary	4,981	1.4
			23,308	6.1
Emaar Properties	United Arab Emirates	Real Estate	13,418	3.4
Air Arabia	United Arab Emirates	Industrials	7,403	1.9
			20,821	5.3
Cervecerias Unidas	Chile	Consumer Staples	6,753	1.7
Empresas CMPC	Chile	Materials	6,266	1.6
Sociedad Quimica y Minera - ADR	Chile	Industrials	6,054	1.4
			19,073	4.7
CP All	Thailand	Consumer Staples	9,299	2.3
Advanced Info Service	Thailand	Communication Services	9,068	2.3
			18,367	4.6
Komerční Banka	Czech Republic	Financials	8,804	2.2
Moneta Money Bank	Czech Republic	Financials	6,855	1.7
			15,659	3.9
PZU	Poland	Financials	7,590	1.9
LPP	Poland	Consumer Discretionary	3,614	0.9
			11,204	2.8

Investments

continued

Company	Principal country of operation	Sector	Fair value ¹ US\$'000	Gross market exposure as a % of net assets ³
Bank of Georgia	Georgia	Financials	10,220	2.6
			10,220	2.6
Vista Oil & Gas	Argentina	Energy	10,203	2.6
			10,203	2.6
EPAM Systems	Multi-International	Information Technology	10,120	2.5
			10,120	2.5
Equity Group	Kenya	Financials	5,116	1.3
Safaricom	Kenya	Communication Services	3,599	0.9
Kenya Commercial Bank	Kenya	Financials	1,033	0.3
			9,748	2.5
Bancolombia	Colombia	Financials	9,016	2.3
			9,016	2.3
Frontken Corp	Malaysia	Industrials	8,361	2.1
			8,361	2.1
Eldorado Gold	Turkey	Materials	8,288	2.1
			8,288	2.1
MCB Bank	Pakistan	Financials	6,506	1.6
Lucky Cement	Pakistan	Materials	886	0.2
			7,392	1.8
BRD–Groupe Société Générale	Romania	Financials	6,226	1.6
			6,226	1.6
Qatar Gas Transport Company	Qatar	Energy	5,863	1.5
			5,863	1.5
Guaranty Trust Holding	Nigeria	Financials	2,749	0.7
United Bank for Africa	Nigeria	Financials	2,255	0.6
			5,004	1.3
NagaCorp	Cambodia	Consumer Discretionary	3,449	0.9
			3,449	0.9
Square Pharmaceuticals	Bangladesh	Health Care	2,983	0.8
			2,983	0.8
Commercial International Bank	Egypt	Financials	2,066	0.4
			2,066	0.4
Equity investments			360,408	90.7
BlackRock's Institutional Cash Series plc - US Dollar Liquid Environmentally Aware Fund (Cash Fund)			49,538	12.5
Total equity investments (including Cash Fund)			409,946	103.2

CFD portfolio

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	Saudi Arabia	Financials		19,071	4.8
Abdullah Al Othaim Markets	Saudi Arabia	Consumer Staples		11,792	3.0
Etiihad Etisalat	Saudi Arabia	Communication Services		10,868	2.7
Saudi Basic Industries Corporation	Saudi Arabia	Materials		9,569	2.4
Al Rajhi Bank	Saudi Arabia	Financials		8,311	2.1
Yanbu National Petrochemical	Saudi Arabia	Materials		8,134	2.0
MBC Group	Saudi Arabia	Communication Services		2,415	0.6
				70,160	17.6
FPT	Vietnam	Information Technology		12,716	3.2
Petrovietnam Drilling & Well Services	Vietnam	Energy		6,860	1.7
Vietnam Dairy Products	Vietnam	Consumer Staples		1,237	0.3
				20,813	5.2
Gulf International Services	Qatar	Energy		7,712	1.9
Qatar Gas Transport Company	Qatar	Energy		2,189	0.6
				9,901	2.5
Jeronimo Martins	Poland	Consumer Staples		7,910	2.0
				7,910	2.0
Borouge	United Arab Emirates	Materials		6,673	1.7
				6,673	1.7
Wizz Air Holdings	Hungary	Industrials		2,819	0.7
				2,819	0.7
Total long CFD positions			(2,271)	118,276	29.7
Total short CFD positions			(149)	(10,804)	(2.7)
Total CFD portfolio			(2,420)	107,472	27.0

Fair value and gross market exposure of investments

as at 31 March 2024

Portfolio	Fair value ¹	Gross market exposure ^{2,3}	Gross market exposure as a % of net assets ³		
	US\$'000	US\$'000	31 March 2024	31 March 2023	30 September 2023
Long equity investment positions (excluding BlackRock's Institutional Cash Series plc - US Dollar Liquid Environmentally Aware Fund)	360,408	360,408	90.7	76.9	85.2
Long CFD positions	(2,271)	118,276	29.7	29.4	29.8
Short CFD positions	(149)	(10,804)	(2.7)	(3.9)	(3.0)
Subtotal of long and short investment positions	357,988	467,880	117.7	102.4	112.0
Cash Fund	49,538	49,538	12.5	22.4	17.8
Total investment and derivatives	407,526	517,418	130.2	124.8	129.8
Cash and cash equivalents	1,035	(108,857)	(27.4)	(22.9)	(25.9)
Other net current liabilities	(11,180)	(11,180)	(2.8)	(1.9)	(3.9)
Non-current liabilities	(19)	(19)	0.0	0.0	0.0
Net assets	397,362	397,362	100.0	100.0	100.0

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 of 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.

The Company was geared through the use of long and short CFD positions and gross and net gearing as at 31 March 2024 was 23.1% and 17.7% respectively (31 March 2023: 10.2% and 2.4%; 30 September 2023: 17.9% and 12.0%). Gross and net gearing are Alternative Performance Measures, see Glossary on pages 40 to 45.

¹ 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\$120,547,000 at the time of purchase, and subsequent movement in market prices have resulted in unrealised losses on the long CFD positions of US\$2,271,000 resulting in the value of the total long CFD market exposure to the underlying securities decreasing to US\$118,276,000 as at 31 March 2024. If the long positions had been closed on 31 March 2024, this would have resulted in a loss of US\$2,271,000 for the Company.
- The notional exposure of selling the securities gained via the short CFD positions would have been US\$10,655,000 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\$149,000 resulting in the value of the total short CFD market exposure of these investments increasing to US\$10,804,000 at 31 March 2024. If the short positions had been closed on 31 March 2024, this would have resulted in a loss of US\$149,000 for the Company.

² 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.

³ 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.

Interim Management Report and Responsibility Statement

The Chair's Statement on pages 5 to 7 and the Investment Manager's Report on pages 8 to 10 give details of the important events which have occurred during the period and their impact on the financial statements.

Principal risks and uncertainties

A detailed explanation of the risks relating to the Company can be divided into various areas as follows:

- Investment Performance Risk;
- Income/Dividend Risk;
- Legal and Regulatory Risk;
- Counterparty Risk;
- Operational Risk;
- Political Risk;
- Financial Risk; and
- Market Risk.

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Financial Statements for the year ended 30 September 2023. A detailed explanation can be found in the Strategic Report on pages 36 to 41 and in note 17 on pages 101 to 114 of the Annual Report and Financial Statements which are available on the website maintained by BlackRock at: www.blackrock.com/uk/brfi.

Certain financial markets have been volatile during the financial period due primarily to continuing geo-political tensions arising from Russia's invasion of Ukraine and, more recently, the hostilities in the Middle East. The Company has no exposure to Russia and Ukraine. The Board and the Investment Manager continue to monitor investment performance in line with the Company's investment objectives.

In the view of the Board, other than those noted above, there have not been any material changes to the fundamental nature of these risks since the previous report and these principal risks and uncertainties, as summarised, are equally applicable to the remaining six months of the financial year as they were to the six months under review.

Going concern

The Board remains mindful of the ongoing uncertainty surrounding the potential duration of the Russia-Ukraine conflict and the hostilities in the Middle East and their longer-term effects on the global economy and the current heightened geo-political risk. Nevertheless, 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 foreseeable future and is financially sound.

Based on the above, the Board is satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. The Company has a portfolio of investments which are considered to be readily realisable and is able to meet all of its liabilities from its assets and income generated from them. Ongoing charges (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 approximately 1.38% of average daily net assets for the year ended 30 September 2023.

Related party disclosures and transactions with the AIFM and Investment Manager

BlackRock Fund Managers Limited (BFM) is the Company's Alternative Investment Fund Manager (AIFM) with effect from 2 July 2014. 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)). Both BFM and BIM (UK) are regarded as related parties under the Listing Rules. Details of the management and performance fees payable are set out in note 4 on page 28 and note 14 on page 36. The related party transactions with the Directors are set out in note 13 on page 35.

Directors' Responsibility Statement

The Disclosure Guidance and Transparency Rules (DTR) of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

Interim Management Report and Responsibility Statement continued

The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the Half Yearly Financial Report has been prepared in accordance with the UK-adopted International Accounting Standard 34 – Interim Financial Reporting; and
- the Interim Management Report, together with the Chair’s Statement and Investment Manager’s Report, includes a fair review of the information required by 4.2.7R and 4.2.8R of the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rules.

The Half Yearly Financial Report has been reviewed by the Company’s Auditors.

The Half Yearly Financial Report was approved by the Board on 30 May 2024 and the above Responsibility Statement was signed on its behalf by the Chair.

Katrina Hart

For and on behalf of the Board

30 May 2024

Independent Review Report

to the members of BlackRock Frontiers Investment Trust plc

Conclusion

We have been engaged by BlackRock Frontiers Investment Trust plc (the 'Company') to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2024 which comprises 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 17. We have read the other information contained in the half yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, 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 review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP

London

30 May 2024

Statement of Comprehensive Income

for the six months ended 31 March 2024

	Notes	Six months ended 31 March 2024 (unaudited)			Six months ended 31 March 2023 (unaudited)			Year ended 30 September 2023 (audited)		
		Revenue US\$'000	Capital US\$'000	Total US\$'000	Revenue US\$'000	Capital US\$'000	Total US\$'000	Revenue US\$'000	Capital US\$'000	Total US\$'000
Income from investments held at fair value through profit or loss	3	7,334	–	7,334	5,692	–	5,692	17,402	–	17,402
Net income from contracts for difference	3	785	–	785	927	565	1,492	1,985	565	2,550
Other income	3	75	–	75	171	–	171	251	–	251
Total income		8,194	–	8,194	6,790	565	7,355	19,638	565	20,203
Net profit on investments held at fair value through profit or loss		–	46,084	46,084	–	41,339	41,339	–	58,566	58,566
Net loss on foreign exchange		–	(229)	(229)	–	(47)	(47)	–	(1,980)	(1,980)
Net (loss)/profit from derivatives		–	(3,694)	(3,694)	–	424	424	–	12,523	12,523
Total		8,194	42,161	50,355	6,790	42,281	49,071	19,638	69,674	89,312
Expenses										
Investment management and performance fees	4	(412)	(5,609)	(6,021)	(357)	(4,192)	(4,549)	(757)	(11,298)	(12,055)
Other operating expenses	5	(500)	(38)	(538)	(488)	(22)	(510)	(942)	(68)	(1,010)
Total operating expenses		(912)	(5,647)	(6,559)	(845)	(4,214)	(5,059)	(1,699)	(11,366)	(13,065)
Net profit on ordinary activities before finance costs and taxation		7,282	36,514	43,796	5,945	38,067	44,012	17,939	58,308	76,247
Finance costs	6	(14)	(55)	(69)	(12)	(49)	(61)	(23)	(94)	(117)
Net profit on ordinary activities before taxation		7,268	36,459	43,727	5,933	38,018	43,951	17,916	58,214	76,130
Taxation (charge)/credit	7	(1,029)	343	(686)	(750)	350	(400)	(2,044)	770	(1,274)
Profit for the period		6,239	36,802	43,041	5,183	38,368	43,551	15,872	58,984	74,856
Earnings per ordinary share (cents)	9	3.30	19.43	22.73	2.74	20.26	23.00	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 period. 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 period disclosed above represents the Company's total comprehensive income.

The notes on pages 26 to 36 form part of these financial statements.

Statement of Changes in Equity

for the six months ended 31 March 2024

	Note	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 six months ended 31 March 2024 (unaudited)							
At 30 September 2023		2,418	5,798	308,804	36,153	10,425	363,598
Total comprehensive income:							
Net profit for the period		–	–	–	36,802	6,239	43,041
Transactions with owners, recorded directly to equity:							
Dividends paid ¹	8	–	–	–	–	(9,277)	(9,277)
At 31 March 2024		2,418	5,798	308,804	72,955	7,387	397,362
For the six months ended 31 March 2023 (unaudited)							
At 30 September 2022		2,418	5,798	308,804	(22,831)	8,467	302,656
Total comprehensive income:							
Net profit for the period		–	–	–	38,368	5,183	43,551
Transactions with owners, recorded directly to equity:							
Dividends paid ²		–	–	–	–	(8,046)	(8,046)
At 31 March 2023		2,418	5,798	308,804	15,537	5,604	338,161
For the year ended 30 September 2023 (audited)							
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 ³		–	–	–	–	(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.

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.

³ 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 11 on page 32.

Statement of Financial Position

as at 31 March 2024

	Notes	31 March 2024 (unaudited) US\$'000	31 March 2023 (unaudited) US\$'000	30 September 2023 (audited) US\$'000
Non current assets				
Investments held at fair value through profit or loss	12	409,946	335,699	374,517
Current assets				
Current tax asset		404	430	444
Other receivables		7,521	2,856	5,085
Derivative financial assets held at fair value through profit or loss – contracts for difference	12	1,347	3,997	1,402
Cash and cash equivalents		1,035	6,098	5,308
Cash collateral pledged with brokers		7,729	553	2,435
Total current assets		18,036	13,934	14,674
Total assets		427,982	349,633	389,191
Current liabilities				
Bank overdraft		–	–	(25)
Other payables		(25,064)	(8,895)	(20,015)
Derivative financial liabilities held at fair value through profit or loss – contract for differences	12	(3,767)	(1,148)	(3,234)
Liability for cash collateral received		(1,770)	(1,410)	(2,300)
Total current liabilities		(30,601)	(11,453)	(25,574)
Total assets less current liabilities		397,381	338,180	363,617
Non current liabilities				
Management shares of £1.00 each (one quarter paid up)		(19)	(19)	(19)
Net assets		397,362	338,161	363,598
Equity attributable to equity holders				
Called up share capital	10	2,418	2,418	2,418
Capital redemption reserve		5,798	5,798	5,798
Special reserve		308,804	308,804	308,804
Capital reserves		72,955	15,537	36,153
Revenue reserve		7,387	5,604	10,425
Total equity		397,362	338,161	363,598
Net asset value per ordinary share (cents)	9	209.88	178.61	192.05

The financial statements on pages 22 to 36 were approved and authorised for issue by the Board of Directors on 30 May 2024 and signed on its behalf by Mrs Katrina Hart, Chair.

BlackRock Frontiers Investment Trust plc

Registered in England, No. 7409667

The notes on pages 26 to 36 form part of these financial statements.

Cash Flow Statement

for the six months ended 31 March 2024

	31 March 2024 (unaudited) US\$'000	31 March 2023 (unaudited) US\$'000	30 September 2023 (audited) US\$'000
Operating activities			
Net profit on ordinary activities before taxation	43,727	43,951	76,130
Add back finance costs	69	61	117
Net profit on investments held at fair value through profit or loss (including transaction costs)	(46,084)	(41,339)	(58,566)
Net loss/(profit) from derivatives (including transaction costs)	3,694	(424)	(12,523)
Financing costs on derivatives	(2,507)	(1,804)	(4,107)
Net loss on foreign exchange	229	47	1,980
Sales of investments held at fair value through profit or loss	107,625	84,218	183,095
Purchases of investments held at fair value through profit or loss	(112,303)	(76,240)	(207,654)
Sales of Cash Fund ¹	88,244	78,977	163,097
Purchases of Cash Fund ¹	(72,909)	(83,371)	(156,544)
Amounts paid for losses on closure of derivatives	(22,016)	(27,288)	(42,659)
Amounts received on profit on closure of derivatives	21,415	22,810	57,263
Increase in other receivables	(807)	(2,105)	(855)
Increase in other payables	3,325	4,859	10,651
(Increase)/decrease in amounts due from brokers	(1,629)	594	(2,885)
Increase/(decrease) in amounts due to brokers	1,724	(822)	4,506
Cash collateral pledged with brokers	(5,294)	6,851	4,969
Cash collateral received from brokers	(530)	760	1,650
Taxation paid	(646)	(384)	(1,272)
Net cash inflow from operating activities	5,327	9,351	16,393
Financing activities			
Interest paid	(69)	(61)	(117)
Dividends paid	(9,277)	(8,046)	(13,914)
Net cash outflow from financing activities	(9,346)	(8,107)	(14,031)
(Decrease)/increase in cash and cash equivalents	(4,019)	1,244	2,362
Effect of foreign exchange rate changes	(229)	(47)	(1,980)
Change in cash and cash equivalents	(4,248)	1,197	382
Cash and cash equivalents at the start of the period/year	5,283	4,901	4,901
Cash and cash equivalents at the end of the period/year	1,035	6,098	5,283
Comprised of:			
Cash at bank	1,035	6,098	5,308
Bank overdraft	–	–	(25)
	1,035	6,098	5,283

¹ Cash Fund represents investment in the BlackRock Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund.

Notes to the Financial Statements

for the six months ended 31 March 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.

2. Basis of preparation

The half yearly financial statements for the period ended 31 March 2024 have been prepared in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the Financial Conduct Authority and with the UK-adopted International Accounting Standard 34 (IAS 34), Interim Financial Reporting. The half yearly financial statements should be read in conjunction with the Company's Annual Report and Financial Statements for the year ended 30 September 2023, which have been prepared in accordance with UK-adopted International Accounting Standards (IAS).

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.

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.

This standard is unlikely to have any impact on the Company as it has no insurance contracts.

IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction (effective 1 January 2023). The 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.

The amendment of this standard is unlikely to have any significant impact on the Company.

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.

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.

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.

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.

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

3. Income

	Six months ended 31 March 2024 (unaudited) US\$'000	Six months ended 31 March 2023 (unaudited) US\$'000	Year ended 30 September 2023 (audited) US\$'000
Investment income:			
UK dividends	182	–	362
Stock dividend	–	–	14
Overseas dividends	5,279	4,095	12,997
Overseas special dividends	431	245	1,006
Interest from Cash Fund	1,442	1,352	3,023
Total investment income	7,334	5,692	17,402
Net income from contracts for difference	785	927	1,985
Interest received on cash collateral	39	83	68
Deposit interest	36	88	183
Total income	8,194	6,790	19,638

Dividends and interest received in cash in the six months ended 31 March 2024 amounted to US\$4,480,000 and US\$1,589,000, respectively (six months ended 31 March 2023: US\$3,047,000 and US\$1,399,000; year ended 30 September 2023: US\$14,859,000 and US\$3,182,000).

No special dividends from equity investments have been recognised in capital for the six months ended 31 March 2024 (six months ended 31 March 2023: US\$nil; year ended 30 September 2023: US\$nil). No special dividends from long contracts for difference have been recognised in capital for the six months ended 31 March 2024 and included within net income from contracts for difference in the capital account in the Statement of Comprehensive Income (six months ended 31 March 2023: US\$565,000; year ended 30 September 2023: US\$565,000).

Notes to the Financial Statements

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4. Investment management fee and performance fees

	Six months ended 31 March 2024 (unaudited)			Six months ended 31 March 2023 (unaudited)			Year ended 30 September 2023 (audited)		
	Revenue US\$'000	Capital US\$'000	Total US\$'000	Revenue US\$'000	Capital US\$'000	Total US\$'000	Revenue US\$'000	Capital US\$'000	Total US\$'000
Investment management fee	412	1,647	2,059	357	1,429	1,786	757	3,026	3,783
Performance fee	–	3,962	3,962	–	2,763	2,763	–	8,272	8,272
Total	412	5,609	6,021	357	4,192	4,549	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 + MSCI Saudi Arabia 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 six months ended 31 March 2024, the Company's NAV outperformed the Benchmark Index on a US Dollar basis by 3.4% resulting in a cumulative outperformance since launch of 69.6% (six months ended 31 March 2023: outperformed by 10.0%; year ended 30 September 2023: outperformed by 20.1%); therefore, a performance fee of US\$3,962,000 has been accrued (six months ended 31 March 2023: US\$2,763,000; year ended 30 September 2023: US\$8,272,000). Any accrued performance fee is included within other payables in the Statement of Financial Position. Any final performance fee for the full year ending 30 September 2024 will not crystallise and fall due until the calculation date of 30 September 2024.

The performance fee payable in any year is capped at an amount equal to 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. 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 previous cumulative underperformance against the benchmark 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

	Six months ended 31 March 2024 (unaudited) US\$'000	Six months ended 31 March 2023 (unaudited) US\$'000	Year ended 30 September 2023 (audited) US\$'000
Allocated to revenue:			
Custody fee	113	116	229
Auditor's remuneration:			
– audit services	31	33	62
– other assurance services ¹	4	4	9
Registrar's fee	20	17	32
Directors' emoluments ²	133	128	243
Broker fees	19	19	38
Depository fees ³	19	17	33
Marketing fees	64	50	90
AIC fees	12	12	24
FCA fees	10	8	18
Printing and postage fees	21	32	58
Employer NI contributions	10	18	31
Stock exchange listings	8	5	13
Legal and professional fees	10	11	21
Write back of prior year expenses ⁴	(17)	–	(27)
Other administrative costs	43	18	68
	500	488	942
Allocated to capital:			
Custody transaction charges ⁵	38	22	68
	538	510	1,010

¹ Fees for other assurance services of £3,550 (US\$4,000) (six months ended 31 March 2023: £3,550 (US\$4,000); year ended 30 September 2023: £7,100 (US\$9,000)) relate to the review of the interim financial statements.

² For the six months ended 31 March 2024, Directors' emoluments amounted to £105,000 (US\$133,000) (six months ended 31 March 2023: £104,000 (US\$128,000); year ended 30 September 2023: £199,000 (US\$243,000)). Further information on Directors' emoluments can be found in the Directors' Remuneration Report on page 63 of the Company's Annual Report and Financial Statements for the year ended 30 September 2023. The Company has no employees.

³ All expenses other than depository fees are paid in British Pound Sterling and are therefore subject to exchange rate fluctuations.

⁴ Relates to legal fees, miscellaneous fees and Directors' evaluation fees written back during the six months ended 31 March 2024 (six months ended 31 March 2023: Directors' expenses and miscellaneous fees; year ended 30 September 2023: Directors' expenses, miscellaneous fees and legal fees).

⁵ For the six months ended 31 March 2024, expenses of £30,000 (US\$38,000) (six months ended 31 March 2023: £18,000 (US\$22,000); year ended 30 September 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.

The transaction costs incurred on the acquisition of investments amounted to US\$220,000 for the six months ended 31 March 2024 (six months ended 31 March 2023: US\$102,000; year ended 30 September 2023: US\$267,000). Costs relating to the disposal of investments amounted to US\$152,000 for the six months ended 31 March 2024 (six months ended 31 March 2023: US\$138,000; year ended 30 September 2023: US\$281,000). All transaction costs have been included within the capital reserve.

Notes to the Financial Statements

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6. Finance costs

	Six months ended 31 March 2024 (unaudited)			Six months ended 31 March 2023 (unaudited)			Year ended 30 September 2023 (audited)		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Interest paid on bank overdraft	1	2	3	–	–	–	–	–	–
Interest paid on cash collateral	13	53	66	12	49	61	23	94	117
Total	14	55	69	12	49	61	23	94	117

7. Taxation

Analysis of charge/(credit) for the period:

	Six months ended 31 March 2024 (unaudited)			Six months ended 31 March 2023 (unaudited)			Year ended 30 September 2023 (audited)		
	Revenue	Capital	Total	Revenue	Capital	Total	Revenue	Capital	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Current taxation:									
Corporation tax	343	(343)	–	350	(350)	–	770	(770)	–
Overseas tax	686	–	686	400	–	400	1,274	–	1,274
Total taxation charge/(credit)	1,029	(343)	686	750	(350)	400	2,044	(770)	1,274

8. Dividends

The Board has declared an interim dividend of 3.50 cents per share for the period ended 31 March 2024 which will be paid on 2 July 2024 to shareholders on the register at 14 June 2024 (interim dividend for the six months ended 31 March 2023: 3.10 cents per share). This dividend has not been accrued in the financial statements for the six months ended 31 March 2024 as, under IAS, interim dividends are not recognised until paid. Dividends are debited directly to reserves.

9. Earnings and net asset value per ordinary share

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

	Six months ended 31 March 2024 (unaudited)	Six months ended 31 March 2023 (unaudited)	Year ended 30 September 2023 (audited)
Net revenue profit attributable to ordinary shareholders (US\$'000)	6,239	5,183	15,872
Net capital profit attributable to ordinary shareholders (US\$'000)	36,802	38,368	58,984
Total profit attributable to ordinary shareholders (US\$'000)	43,041	43,551	74,856
Equity shareholders' funds (US\$'000)	397,362	338,161	363,598
The weighted average number of ordinary shares in issue during the period on which the earnings per ordinary share was calculated was:	189,325,748	189,325,748	189,325,748
The actual number of ordinary shares in issue at the period end on which the net asset value per ordinary share was calculated was:	189,325,748	189,325,748	189,325,748
Earnings per share			
Revenue earnings per share (cents) – basic and diluted	3.30	2.74	8.38
Capital earnings per share (cents) – basic and diluted	19.43	20.26	31.16
Total earnings per share (cents) – basic and diluted	22.73	23.00	39.54
	As at 31 March 2024 (unaudited)	As at 31 March 2023 (unaudited)	As at 30 September 2023 (audited)
Net asset value per ordinary share (cents)	209.88	178.61	192.05
Ordinary share price (cents) ¹	192.96	166.30	175.76
Net asset value per ordinary share (pence)	166.14	144.45	157.35
Ordinary share price (pence)	152.75	134.50	144.00

¹ The Company's share price is quoted in British Pound Sterling and the above represents the US Dollar equivalent, based on an exchange rate of US\$1.2633 to £1 at 31 March 2024 (31 March 2023: US\$1.2365 to £1; 30 September 2023: US\$1.2206 to £1).

Notes to the Financial Statements

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10. 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 31 March 2024	189,325,748	52,497,053	241,822,801	2,418

The Company also has in issue 50,000 management shares which carry the right to a fixed cumulative preferred dividend. Additional information is given in note 14 to the Annual Report and Financial Statements for the year ended 30 September 2023.

During the six months ended 31 March 2024, the Company did not issue or buy back any ordinary shares (six months ended 31 March 2023 and year ended 30 September 2023: none).

Since 31 March 2024 and up to the date of this report, no ordinary shares have been issued or bought back.

11. Reserves

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 reserve 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 reserve and revenue reserve may be distributed by way of dividend. The gain on the capital reserve arising on the revaluation of investments of US\$42,703,000 (six months ended 31 March 2023: gain of US\$2,665,000; year ended 30 September 2023: gain of 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.

12. Financial risks and valuation of financial instruments

The Company's investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The risks are substantially consistent with those disclosed in the previous annual financial statements with the exception of those outlined below.

Market risk arising from price risk

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.

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) as set out on page 91 of the Company's Annual Report and Financial Statements for the year ended 30 September 2023.

Categorisation within the hierarchy has been determined on the basis of the lowest level 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 period 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 period 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 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 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.

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continued

12. Financial risks and valuation of financial instruments continued

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 the IFRS 13 fair value hierarchy.

Financial assets/(liabilities) at fair value through profit or loss at 31 March 2024 (unaudited)	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Assets:				
Equity investments	360,408	–	–	360,408
Cash Fund	49,538	–	–	49,538
Contracts for difference (fair value)	–	1,347	–	1,347
Liabilities:				
Contracts for difference (fair value)	–	(3,767)	–	(3,767)
	409,946	(2,420)	–	407,526

Financial assets/(liabilities) at fair value through profit or loss at 31 March 2023 (unaudited)	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Assets:				
Equity investments	259,875	–	–	259,875
Cash Fund	75,824	–	–	75,824
Contracts for difference (fair value)	–	3,997	–	3,997
Liabilities:				
Contracts for difference (fair value)	–	(1,148)	–	(1,148)
	335,699	2,849	–	338,548

Financial assets/(liabilities) at fair value through profit or loss at 30 September 2023 (audited)	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 six months ended 31 March 2024 (six months ended 31 March 2023: none; year ended 30 September 2023: none).

The Company held no Level 3 assets or liabilities during the six months ended 31 March 2024 (six months ended 31 March 2023: none; year ended 30 September 2023: none).

13. Related party disclosure

Directors' emoluments

The Board consists of five non-executive Directors, all of whom are considered to be independent of the Manager by the Board. None of the Directors has a service contract with the Company. With effect from 1 October 2023, the Chair receives an annual fee of £44,000, the Chair of the Audit and Management Engagement Committee receives an annual fee of £36,750 and each of the other Directors receives an annual fee of £32,000.

As at 31 March 2024, an amount of US\$19,000 (£15,000) was outstanding in respect of Directors' fees (31 March 2023: US\$21,000 (£17,000); 30 September 2023: US\$20,000 (£17,000)).

At the period end, members of the Board, including any connected persons, held ordinary shares in the Company as set out below:

	Ordinary shares
Katrina Hart (Chair) ¹	48,350
Elisabeth Airey	75,000
Hatem Dowidar	Nil
Lucy Taylor-Smith	10,122
Stephen White	30,000

¹ 11,336 ordinary shares are held on behalf of Mrs Hart's dependents.

Since the period end and up to the date of this report there have been no changes in Directors' holdings.

The transactions with the Investment Manager and AIFM are stated in note 14.

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 31 March 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.
4.9	n/a	n/a

As at 30 September 2023

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.
4.1	n/a	n/a

As at 31 March 2023

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.
8.1	n/a	n/a

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14. 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 this investment management contract are disclosed on page 50 of the Directors' Report in the Company's Annual Report and Financial Statements for the year ended 30 September 2023.

The investment management fee due for the six months ended 31 March 2024 amounted to US\$2,059,000 (six months ended 31 March 2023: US\$1,786,000; year ended 30 September 2023: US\$3,783,000). The performance fee accrued for the six months ended 31 March 2024 is US\$3,962,000 (six months ended 31 March 2023: US\$2,763,000; year ended 30 September 2023: US\$8,272,000).

At the period end, US\$2,059,000 was outstanding in respect of management fees (31 March 2023: US\$2,669,000; 30 September 2023: US\$2,902,000) and US\$12,234,000 was accrued in respect of performance fees of which £8,272,000 had crystallised and fallen due for the year ended 30 September 2023 (31 March 2023: US\$2,763,000; 30 September 2023: US\$8,272,000). Any final performance fee for the full year ending 30 September 2024 will not crystallise and fall due until the calculation date of 30 September 2024.

In addition to the above services, BIM (UK) has provided the Company with marketing services. The total fees paid or payable for these services to 31 March 2024 amounted to US\$64,000 excluding VAT (six months ended 31 March 2023: US\$50,000; year ended 30 September 2023: US\$90,000). Marketing fees of US\$207,000 excluding VAT (31 March 2023: US\$103,000; 30 September 2023: US\$143,000) were outstanding as at 31 March 2024.

The Company has an investment in the BlackRock Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund (Cash Fund) of US\$49,538,000 as at 31 March 2024, which is a fund managed by a company within the BlackRock Group (31 March 2023: US\$75,824,000; 30 September 2023: US\$64,875,000). 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.

15. Contingent liabilities

There were no contingent liabilities at 31 March 2024 (six months ended 31 March 2023: none; year ended 30 September 2023: none).

16. Publication of non statutory accounts

The financial information contained in this half yearly report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial information for the six months ended 31 March 2024 and 31 March 2023 has not been audited.

The information for the year ended 30 September 2023 has been extracted from the latest published audited financial statements which have been filed with the Registrar of Companies, unless otherwise stated. The report of the auditors on those accounts contained no qualifications or statement under Sections 498(2) or 498 (3) of the Companies Act 2006.

17. Annual results

The Board expects to announce the annual results for the year ending 30 September 2024 in early December 2024.

Copies of the annual results announcement can be obtained from the Secretary on 020 7743 3000 or at cossec@blackrock.com. The Annual Report should be available by late December 2024 with the Annual General Meeting being held in February 2025.

Directors

All Directors are non-executive and independent of the Manager



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, JPMorgan UK Small Cap Growth and Income plc and Montanaro Asset Management Limited. 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.



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, Senior Independent Director of Henderson Eurotrust plc and Chairman of Brown Advisory US Smaller Companies plc. He was formerly a non-executive director of 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.



Elisabeth Airey
Senior Independent Director

(Appointed 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 and 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.



Lucy Taylor-Smith
Director

(Appointed 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.

Directors

continued



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.

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

Depository, Custodian and Fund Accountant

The Bank of New York Mellon (International) Limited¹
160 Queen Victoria Street
London EC4V 4LA

Registrar

Computershare Investor Services PLC¹
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 Limited¹
The Atrium Building
Cannon Bridge House
25 Dowgate Hill
London EC4R 2GA

Solicitors

Gowling WLG (UK) LLP
4 More London Riverside
London SE1 2AU

¹ Authorised and regulated by the Financial Conduct Authority.

² 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.

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 Half Yearly Financial Report.

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 + MSCI Saudi Arabia 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.

For the six months ended 31 March 2024, the Company's NAV total return was +12.0% (six months ended 31 March 2023: +14.5%; year ended 30 September 2023: +25.1%) and the net total return of the Benchmark Index was +8.6% (six months ended 31 March 2023: +4.5%; year ended 30 September 2023: +5.0%); therefore, the Company's outperformance of the Benchmark Index was 3.4% (six months ended 31 March 2023: outperformance of 10.0%; year ended 30 September 2023: 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 31 March 2024, the US Dollar equivalent share price was 192.96 cents (31 March 2023: 166.30 cents; 30 September 2023: 175.76 cents) and the cum income NAV was 209.88 cents (31 March 2023: 178.61 cents; 30 September 2023: 192.05 cents), therefore, the discount was 8.1% (31 March 2023: 6.9%; 30 September 2023: 8.5%) (please see note 9 of the financial statements on page 31 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 370c and the NAV 365c, 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.

Glossary

continued

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 31 March 2024, 31 March 2023 and 30 September 2023 is set out in the table below.

Gross and net gearing	Page	31 March 2024 US\$'000 (unaudited)	31 March 2023 US\$'000 (unaudited)	30 September 2023 US\$'000 (audited)	
Equity investments	18	360,408	259,875	309,642	(a)
Long CFD exposures	18	118,276	99,527	108,259	(b)
Short CFD exposures	18	10,804	13,228	10,775	(c)
Gross geared exposure (d = a + b + c)		489,488	372,630	428,676	(d)
Net geared exposure (e = a + b - c)		467,880	346,174	407,126	(e)
Net assets	24	397,362	338,161	363,598	(f)
Gross gearing % of net assets (g = (d - f)/f x 100) (%)		23.2	10.2	17.9	(g)
Net gearing % of net assets (h = (e - f)/f x 100) (%)		17.7	2.4	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 31 March 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

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 calculation 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	Six months ended 31 March 2024 (unaudited)	Six months ended 31 March 2023 (unaudited)	Year ended 30 September 2023 (audited)
Closing NAV per share (cents)	31	209.88	178.61	192.05
Add back interim and final dividends (cents)	23	4.90	4.25	7.35
Effect of dividend reinvestment (cents)		0.25	0.20	0.63
Adjusted closing NAV (cents)		215.03	183.06	200.03 (a)
Opening NAV per share (cents)	31	192.05	159.86	159.86 (b)
NAV total return (c = ((a - b)/b)) (%)		12.0	14.5	25.1 (c)

NAV total return – British Pound Sterling	Page	Six months ended 31 March 2024 (unaudited)	Six months ended 31 March 2023 (unaudited)	Year ended 30 September 2023 (audited)
Closing NAV per share (pence) ¹	31	166.14	144.45	157.35
Add back interim and final dividends (pence)	23	3.86	3.44	5.88
Effect of dividend reinvestment (pence)		0.22	0.02	0.51
Adjusted closing NAV (pence)		170.22	147.91	163.74 (a)
Opening NAV per share (pence)	31	157.35	143.21	143.21 (b)
NAV total return (c = ((a - b)/b)) (%)		8.2	3.3	14.3 (c)

¹ Based on an exchange rate of US\$1.2633 to £1 at 31 March 2024 (31 March 2023: US\$1.2365; 30 September 2023: US\$1.2206).

Share price total return – US Dollar	Page	Six months ended 31 March 2024 (unaudited)	Six months ended 31 March 2023 (unaudited)	Year ended 30 September 2023 (audited)
Closing share price (cents) ¹	31	192.96	166.30	175.76
Add back interim and final dividends (cents)	23	4.90	4.25	7.35
Effect of dividend reinvestment (cents)		0.27	0.28	0.57
Adjusted closing share price (cents)		198.13	170.83	183.68 (a)
Opening share price (cents) ¹	31	175.76	142.61	142.61 (b)
Share price total return (c = ((a - b)/b)) (%)		12.7	19.8	28.8 (c)

¹ Based on an exchange rate of US\$1.2633 to £1 at 31 March 2024 (31 March 2023: US\$1.2365; 30 September 2023: US\$1.2206).

* Alternative Performance Measure.

Share price total return – British Pound Sterling	Page	Six months ended 31 March 2024 (unaudited)	Six months ended 31 March 2023 (unaudited)	Year ended 30 September 2023 (audited)
Closing share price (pence)	31	152.75	134.50	144.00
Add back interim and final dividends (pence)	23	3.86	3.44	5.88
Effect of dividend reinvestment (pence)		0.24	0.08	0.46
Adjusted closing share price (pence)		156.85	138.02	150.34 (a)
Opening share price (pence)	31	144.00	127.75	127.75 (b)
Share price total return (c = ((a - b)/b)) (%)		8.9	8.0	17.7 (c)

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 31 March 2024, equity shareholders' funds were worth US\$397,362,000 (31 March 2023: US\$338,161,000; 30 September 2023: US\$363,598,000) and there were 189,325,748 (31 March 2023 and 30 September 2023: 189,325,748) ordinary shares in issue (excluding treasury shares); the undiluted NAV was therefore 209.88 cents (31 March 2023: 178.61 cents; 30 September 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.

Net asset value per share (Capital only NAV)*

The capital only NAV is a popular 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 31 March 2024, equity shareholders' funds less the current year net revenue return (after interim dividends) amounted to US\$391,123,000 (31 March 2023: US\$332,981,000; 30 September 2023: US\$353,594,000) and there were 189,325,748 (31 March 2023 and 30 September 2023: 189,325,748) ordinary shares in issue (excluding treasury shares); therefore, the capital only NAV was 206.59 cents (31 March 2023: 175.84 cents; 30 September 2023: 186.76 cents).

Equity shareholders' funds (excluding current period revenue) of US\$391,123,000 (31 March 2023: US\$332,981,000; 30 September 2023: US\$353,594,000) are calculated by deducting from the Company's net assets US\$397,362,000 (31 March 2023: US\$338,161,000; 30 September 2023: US\$363,598,000) its current period revenue US\$6,239,000 (31 March 2023: US\$5,180,000; 30 September 2023: US\$15,872,000) and adding back the interim dividends US\$nil (31 March 2023: US\$nil; 30 September 2023: US\$5,868,000) paid.

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, write back of prior year expenses 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.

* Alternative Performance Measure.

Glossary

continued

		Year ended 30 September 2023 US\$'000 (audited)	Year ended 30 September 2022 US\$'000 (audited)	
Ongoing charges calculation	Page			
Management fee	28	3,783	3,785	
Other operating expenses ¹	29	969	905	
Total management fee and other operating expenses		4,752	4,690	(a)
Performance fee	28	8,272	–	(b)
Total management and performance fees and other operating expenses (c = a + b)		13,024	4,690	(c)
Average daily net assets in the year		344,387	343,628	(d)
Ongoing charges in the year excluding performance fees (e = a/d) (%)		1.38	1.36	(e)
Ongoing charges in the year including performance fees (f = c/d) (%)		3.78	1.36	(f)

¹ Excluding the write back of prior year expenses totalling US\$27,000 (30 September 2022: US\$6,000).

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.

* Alternative Performance Measure.

Total dividends and Yield*

Total dividends represent total 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.

Yield	Page	31 March 2024 (unaudited)	31 March 2023 (unaudited)	30 September 2023 (audited)	
Interim and final dividends paid/payable (cents) ¹	23	8.40	7.35	8.00	(a)
Ordinary share price (cents)	31	192.96	166.30	175.76	(b)
Yield (c = a/b) (%)		4.4	4.4	4.6	(c)

¹ Comprising dividends declared/paid for the twelve months to 31 March 2024, 31 March 2023 and 30 September 2023.

* Alternative Performance Measure.

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

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.

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