

BlackRock

BlackRock Frontiers Investment Trust plc

Half Yearly Financial Report 31 March 2022



Keeping in touch

We know how important it is to receive up-to-date information about the Company. To ensure that you are kept abreast, please visit our website at <https://go.blackrock.com/LP=2142> to indicate your interest and preferences and sign up to the Trust Matters newsletter. You will then receive the latest factsheets, market commentary and insights from your Investment Manager. You will also be notified of our upcoming events and webinars. You can find further information about the Company on our website at www.blackrock.com/uk/brfi

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



Financial highlights

as at 31 March 2022

169.19c

Ordinary share price

+4.9%^{1,2,3,4}

128.50p

Ordinary share price

+7.5%^{1,2,3}

188.65c

NAV per ordinary share

+3.6%^{3,5}

143.29p

NAV per ordinary share

+6.1%^{3,4,5}

2.75c

Interim dividend

No Change

4.1%^{3,6}

Yield

US\$357.2m

Net assets

Percentage comparisons are against 30 September 2021.

¹ Mid-market.

² Share price performance is calculated in British Pound Sterling terms with dividends reinvested.

³ Alternative Performance Measure, see Glossary on pages 39 to 43.

⁴ Based on an exchange rate of US\$1.3166 to £1 at 31 March 2022 and US\$1.3484 to £1 at 30 September 2021.

⁵ NAV performance is calculated in US Dollar terms with dividends reinvested.

⁶ Yield was 4.3% comprising the 2021 final dividend of 4.25 cents per share and the interim dividend for the six months ended 31 March 2022 of 2.75 cents per share, based on the share price as at 23 May 2022.



Vietnamese retailer Mobile World operates more than 4,500 mobile phone, consumer electronics and grocery stores nationwide.

PHOTO COURTESY OF MOBILE WORLD

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 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 the developed markets and with each other, offering portfolio diversification opportunities.



Long-term focus

Our 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. Our 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 for the patient investor.



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.



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

Our Investment Manager aims 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

The Company generated an attractive dividend yield of 4.3%, comprising the 2021 final dividend of 4.25 cents per share and the interim dividend for the six months to 31 March 2022 of 2.75 cents per share, based on the share price as at 23 May 2022, the latest practicable date prior to the publication of the Half Yearly Financial Report.



A member of the Association of Investment Companies

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

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

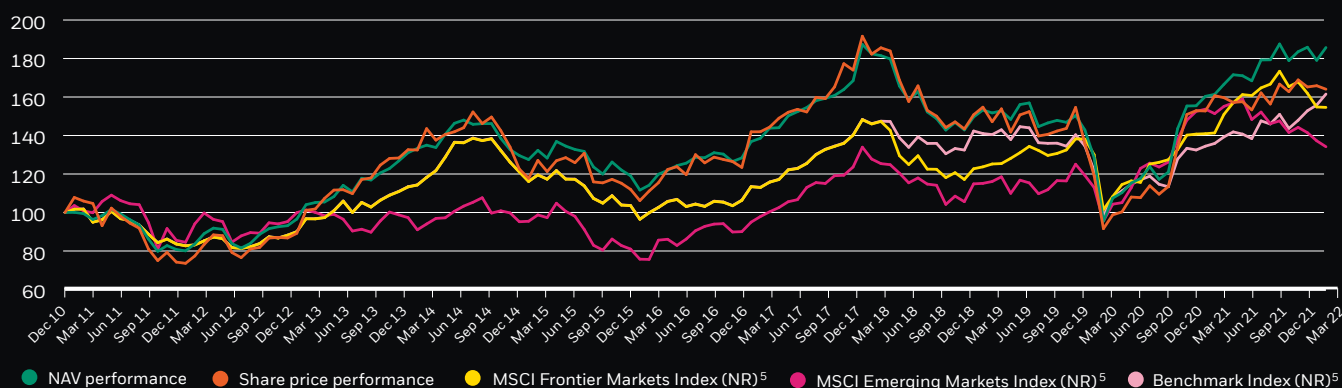
Performance record

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 British Pound Sterling reflects the change in the value of British Pound Sterling versus the US Dollar over the period.

	As at 31 March 2022	As at 30 September 2021
US Dollar		
Net assets (US\$'000) ¹	357,167	352,778
Net asset value per ordinary share (cents)	188.65	186.33
Ordinary share price (mid market) ² (cents)	169.19	165.18
British Pound Sterling		
Net assets (£'000) ^{1,2}	271,270	261,627
Net asset value per ordinary share ² (pence)	143.29	138.19
Ordinary share price (mid market) (pence)	128.50	122.50
Discount ³	10.3%	11.4%

Performance	Six months ended 31 March 2022 %	Year ended 30 September 2021 %	Since inception ⁴ %
US Dollar			
Net asset value per share (with dividends reinvested) ³	+3.6	+53.0	+85.7
Benchmark Index (NR) ^{5,6}	+10.7	+27.3	+61.5
MSCI Frontier Markets Index (NR) ^{5,6}	-7.3	+32.2	+54.6
MSCI Emerging Markets Index (NR) ⁶	-8.2	+18.2	+34.2
Ordinary share price (with dividends reinvested) ³	+4.9	+42.8	+64.1
British Pound Sterling			
Net asset value per share (with dividends reinvested) ³	+6.1	+46.7	+119.4
Benchmark Index (NR) ^{5,6}	+13.3	+22.1	+89.8
MSCI Frontier Markets Index (NR) ^{5,6}	-5.0	+26.8	+83.1
MSCI Emerging Markets Index (NR) ⁶	-6.0	+13.3	+58.9
Ordinary share price (with dividends reinvested) ³	+7.5	+36.9	+93.5

Performance since inception on 17 December 2010 to 31 March 2022



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 market movements during the period.

² Based on an exchange rate of US\$1.3166 to £1 at 31 March 2022 and US\$1.3484 to £1 at 30 September 2021.

³ Alternative Performance Measure, see Glossary on pages 39 to 43.

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 Net return (NR) indices calculate the reinvestment of dividends net of withholding taxes.

Sources: BlackRock and Datastream.

Chairman's Statement



Audley Twiston-Davies
Chairman

Dear Shareholder,

I am pleased to present the Company's Half Yearly Financial Report for the six months to 31 March 2022.

Period highlights

- NAV total return of 3.6% (in US Dollar terms with dividends reinvested);
- Share price total return of 4.9% (in US Dollar terms with dividends reinvested);
- Share price total return of 7.5% (in Sterling terms with dividends reinvested);
- Declared interim dividend of 2.75 cents per share; and
- Yield of 4.3% (based on share price at 23 May 2022, interim dividend for 2022 and final dividend for 2021).

Performance and overview

During the six months to 31 March 2022, the Company achieved an NAV total return in US Dollars of +3.6%, underperforming its Benchmark Index which returned +10.7%. The Company's share price total return was +4.9%. To provide further context, the Company's previous Benchmark Index, the MSCI Frontier Markets Index, returned -7.3% and the MSCI Emerging Markets Index returned -8.2%. The Company's return for the six months to 31 March 2022 of +3.6% follows a very strong financial year to 30 September 2021 in which

the Company returned +53.0% and outperformed the Benchmark Index by 25.7%. As at 23 May 2022, the net asset value per share of the Company has decreased by 7.1% from 188.65 cents per share to 175.31 cents per share. The Company's Benchmark Index has decreased by 7.8%.

As you will read in the Investment Manager's Report which follows, Russia's devastating invasion of Ukraine has dominated market sentiment in the second half of the period. Although we had no exposure, this contagion negatively impacted our portfolio, in particular in Kazakhstan, and through other Eastern European markets to which we are exposed as investors sought to reduce their exposure to the region. This acted to offset some strong performance generated by our holdings in the Middle East and Southeast Asia, which were somewhat insulated from the effects of the ongoing conflict.

There is no doubt that these events have been powerful drivers of change in the global geopolitical landscape which will have far reaching consequences for many years to come. The uncertainty around supply has resulted in price spikes in global energy and commodities, although this should benefit several of our markets which are net exporters of hard and soft commodities. Your investment

managers provide a detailed description of the key contributors and detractors to 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.

Revenue return and dividends

The Company's revenue return per share for the six months ended 31 March 2022 amounted to 2.31 cents (six months ended 31 March 2021: 2.00 cents (restated)).

One of the benefits of the closed-end structure is the ability to use revenue or capital reserves to smooth dividends. As at the date of this report the Company held revenue reserves of US\$6,036,000.

The Board recognises that many shareholders value the dividends paid by the Company and is therefore pleased to declare an interim dividend of 2.75 cents per share (2021: 2.75 cents per share) payable on 24 June 2022 to shareholders on the Company's register on 6 June 2022. The shares will go ex-dividend on 1 June 2022. The final dividend of 4.25 cents per share for the year ended 30 September 2021 was declared on 1 December 2021 and paid to shareholders on 11 February 2022.

Share capital

The Directors are keen to ensure that the Company's share price does not trade at a significant discount or premium to the underlying NAV. Accordingly, the Directors monitor the share price 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. For the period under review, the Company's ordinary shares traded at an average

discount to NAV of 8.4%, but were trading at a discount of 10.3% on a cum-income basis at 31 March 2022. Russia's invasion of Ukraine has led to discounts widening across the Global Emerging Markets sector. As at 23 May 2022, the discount stood at 6.8%. This level of discount is within the sector average range and therefore the Board has not seen fit to buy back any shares at the present time given the broader macroeconomic backdrop. The Board will continue to monitor the Company's share rating closely and may use its powers to repurchase the Company's shares if deemed to be in shareholders' interests to do so.

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).

No new shares were issued or sold from treasury during the period or up to the date of this report.

Environmental, Social and Governance (ESG)

ESG issues can present both opportunities and risks to long-term investment performance. These ethical and sustainability issues are a key focus of the Board, and your Board is committed to a diligent oversight of the activities of the Investment Manager in these areas. The frontier markets in which the Company can invest are home to almost 3 billion of the world's population and our portfolio includes investment in power, infrastructure, renewable energy, food and healthcare. We believe that the companies in which the portfolio is invested should operate within a healthy ecosystem of all their stakeholders whether these are shareholders, employees, customers, regulators or suppliers and that this

may aid the sustainability of long-term returns. Further information on the Board's policy with regard to ESG and the Investment Manager's approach can be found in the Company's Annual Report for the year ended 30 September 2021 at www.blackrock.com/uk/brfi.

Shareholder communication

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

Outlook

In developed markets, spiking energy prices, coupled with supply chain constraints, have driven inflation to levels not seen in decades. By contrast, many of the countries in our investment universe have inflation rates well below their 10-year average and interest rates at more normal levels. In addition, frontier market countries have generally lagged the broader COVID-19 recovery and the resurgence of more normal economic activity seen in the developed markets and, therefore, our portfolio managers believe they are well placed to generate good performance as we move through the second half of our financial year.

As was the case when we launched the Company in 2010, the frontier markets remain under researched and inefficient. This provides real opportunity for our Investment Manager which has extensive resources and the local knowledge required to unearth the hidden gems on offer. In addition, the frontier markets are trading at very attractive valuations, both relative to historic

levels and versus the developed markets.

In summary, we believe frontier markets will continue to be driven primarily by local factors and domestic policy and this aspect continues to offer significant diversification benefits in these ever more challenging times. Our portfolio managers remain emboldened by the current opportunity set available and your Board shares this enthusiasm for this exciting and dynamic asset class.

Audley Twiston-Davies

Chairman

25 May 2022

Investment Manager's Report



Sam Vecht
Co-portfolio Manager



Emily Fletcher
Co-portfolio Manager

“We have continued to increase our exposure to South-East Asia on expectations of a pickup in activity and mobility as well as a relaxation of border controls which should drive economic growth.”

Market Review

Despite tumultuous political events globally, the net asset value (NAV) of the Company increased by 3.6% in US Dollar terms and 6.1% in British Pound Sterling terms over the last six months (all percentages with dividends reinvested). During the period, it was devastating to see the start of an unprecedented war in Ukraine. We also saw a new COVID-19 variant cause serious worldwide concern, surging global inflation, ongoing conflict in the Middle East, and an attempted coup in Kazakhstan. While it is natural to focus on the many challenges that have beset markets globally during the first half of our financial year, and indeed our report will discuss these issues, we have found many resilient companies with strong operating trends to invest in within our investment universe.

Post COVID-19 reopening

The fourth quarter of 2021 started with a semblance of “normality” resuming, yet it was quickly overshadowed by the emergence of the highly transmissible Omicron variant. As more data emerged, it became clear that although more transmissible, Omicron was less severe and certainly less fatal than previous COVID-19 variants, largely since populations were inoculated and healthcare systems were better prepared. Vaccination rates in most of the countries we invest in have continued to tick up, which, coupled with natural immunity from past infections, bodes well for a long-overdue pickup in economic activity within our Frontier Markets universe.

Geopolitical turmoil

January 2022 started with an unexpected eruption of violent coordinated protests in Almaty and elsewhere in Kazakhstan, following large fuel price hikes. In response, Kazakh security forces, with the backing of Russian troops, returned the country to order. The government then reshuffled several key political appointees in an attempt to appease public ire, and stocks bounced off their lows, which had seen some of our significant holdings fall 40% in a matter of days. Unfortunately for the world, this was a precursor to a much more severe conflict. Beyond the unthinkable human tragedy, Russia's invasion of Ukraine has the potential to drive far-reaching changes to global commodity supply chains. The blockade of Ukraine's ports, together with the coordinated sanction effort from the West, particularly the freezing of Russian companies and their assets, has resulted in significant disruptions to regional exports, causing price spikes across the commodity complex.

Middle East stability

While sadly many globally will be negatively impacted by these price changes, frontier countries with significant exports of oil in the Middle East or of soft commodities in ASEAN and Latin America could prove more resilient. For 2022, the Gulf Cooperation Council region is currently on track to report the highest current account and fiscal account surpluses for 8 years. The irony of a region, that has seen so much

conflict for the last 70 years, being considered a relative safe haven for investment, is not lost on us. However, as long-term investors, we look for the anomaly and the unexpected in order to generate returns. The emergence of Dubai as a truly global financial centre, and workplace of choice for those in creative industries and crypto enthusiasts alike, was not predicted pre-COVID-19, hence asset prices there have done well.

Supply constraints and not-so-transitory inflation

Even prior to the Russian invasion, we had seen consistent signs of inflation, particularly in the West following a long period of fiscal largesse and behind-the-curve monetary policy. The Russia/Ukraine crisis risks turning that persistent inflation into a full-scale global supply shock. The developed world is seeing levels of inflation that are the highest in your fund managers' lifetimes, with countries such as the United States of America and United Kingdom seeing prices rising by numbers that previously would only have been seen by countries deemed to be 'uninvestible' to mainstream investors. However, while German wholesale prices are up 23% year-on-year, the biggest move since the data series began in 1968, European interest rates remain at zero, a record low. The contrast to frontier markets such as Indonesia, Thailand and Vietnam, where inflation is currently below the 10-year average, and interest rates are at normal levels, is very notable.

While speaking of inflation and the fact that most of our universe is at present much better placed than the western world, it would be remiss not to mention Turkey, where the central bank has continued to lower interest rates despite consistently high inflation rates, most recently hitting a 20-year high of 61%. The country's deeply negative real interest rates have put huge pressure on the Turkish lira. We believe this unorthodox policy is unlikely to be effective in restoring confidence in either the currency or the economy. We currently have no exposure to the market. However, we

can envisage a scenario where the outlook over the next 18-24 months could look significantly better.

During the last six months we were once again able to travel to meet our portfolio companies. Our travels took us to countries including Egypt, Kazakhstan, Saudi Arabia, Turkey, United Arab Emirates (UAE) and Uzbekistan. Our broad conclusions from these trips were that our companies have, in general, used the desperately unpleasant pandemic period to strengthen their market positions, improve their product portfolios and refine their Environmental, Social and Governance (ESG) credentials. We anticipate that the next six months will see us travel to the remainder of our portfolio countries, and to a few jurisdictions to which we currently have no exposure but look interesting on a medium-term view.

In recent months, we have seen a reimposition of COVID lock-downs across China impact global supply chains. Post the imposition of US tariffs a few years ago, manufacturing for a variety of industries had slowly started to relocate out of China. We see the current environment as giving continued impetus to this trend and expect countries across South-East Asia and Eastern Europe to benefit.

Portfolio review

In the six months to 31 March 2022, the Company's NAV returned 3.6% (on a US Dollar basis with dividends reinvested) versus its Benchmark Index (the MSCI Emerging Markets Index ex Selected Countries + MSCI Frontier Markets + MSCI Saudi Arabia Index) which returned 10.7%. Over this time period, the MSCI Emerging Markets Index fell by 8.2% and MSCI Frontier Markets Index fell by 7.3%. Since inception, the Company's NAV returned 85.7%, compared to 61.5% return on its Benchmark Index. For reference, the MSCI Frontier Markets Index and the MSCI Emerging Markets Index returned 54.6% and 34.2% respectively (all percentages in US Dollar terms with dividends reinvested).

The relative performance of the Company compared to its Benchmark Index suffered largely in late February and March 2022 as many investors aggressively reduced their exposure to Eastern Europe. Our portfolio was also overweight to the region given the positive outlook prior to the invasion. The biggest detractor was Kazakhstan which was impacted first in a selloff triggered by the domestic unrest mentioned on the previous page, and then made worse by contagion from the Russia-Ukraine geo-political conflict. The UK listed Ukrainian iron ore producer, Ferrexpo (-48%) also hurt performance. Our positioning in Financials across Eastern Europe came under pressure as the prospects of economic acceleration and subsequent loan growth dimmed. This included Austrian listed banking group Raiffeisen Bank International (-54%) which has around 18% of its assets and 30% of its profits from Russia, as well as Hungarian bank OTP Bank (-37%). However, as investors gradually re-assessed the real long-term impact of Russia's actions, in late March and April 2022, many companies in Eastern Europe saw a sharp bounce, with Kazakh fintech JSC Kaspi up by 90% between mid-March and at the time of writing in mid-April.

Moving to the contributors during the period, stock selection in UAE was the biggest contributor to performance, notably Fertiglobe (+105%), UAE's biggest nitrogen fertilizer producer which has benefited from the huge spike in global urea prices on the back of high European gas prices. UAE airline, Air Arabia (+25%), was another strong performer as the post COVID-19 recovery happened in earnest. Saudi Hospital operator, National Medical Care, (+33%) rose after reporting a very strong recovery in earnings for the final quarter of the year, up 67% compared to the final quarter of 2020. Greek renewable energy company, Terna Energy (+41%), was another contributor as the energy transition continues. Peruvian lender, Credicorp, (+55%) was another notable performer after seeing a significant recovery in earnings as mobility restrictions were eased in the country. Earnings for the

Investment Manager's Report

continued

final quarter of the year were up more than 60% on the previous year.

In terms of broad positioning, we have not altered the portfolio significantly. We have continued to increase our exposure to South-East Asia on expectations of a pickup in activity and mobility as well as a relaxation of border controls which should drive economic growth. We re-initiated a position in Indonesian consumer conglomerate Astra International and also bought Thai bank Kasikornbank, and Airports of Thailand. We continue to like rate sensitive financials such as PKO Bank Polski in Poland where the economy continues to do well, and inflation surprises mean that the central bank will likely have to continue on its hiking path. We also added to Romanian financials for similar reasons. We have increased exposure to UAE and Qatar, including adding Qatar Gas Transport which we believe will benefit from an expansion in domestic gas production.

We exited Polish financial, KRUK, following very strong performance. We also sold out of Chilean retailer Falabella over disappointing results and a deteriorating consumer outlook. We have also trimmed several positions to book profits, including Peru's Credicorp, and Egypt's EFG Hermes Holdings where a recent bid for the company has crystallised some value.

Outlook

While the current global macro environment does present concerns for western equity markets, we believe investors will find the endogenous growth, low correlation, diversification, and valuations of our universe attractive. While COVID-19 has been a challenging time for these countries, we see strong growth potential across our investment universe in the years ahead.

We continue to monitor the path of inflation and the likelihood of a global growth shock. However, we feel encouraged by the fiscal and monetary

discipline shown by several countries in our universe, which contrasts starkly with the largesse seen in developed countries. We continue to see multiple stock specific opportunities in both South-East Asia and the Middle East which are relatively shielded from the current conflict. We are avoiding countries which are prone to severe inflation shocks from commodity market tightness.

Valuations in most of the frontier and emerging markets remain attractive relative to their own history and also relative to the more developed markets. We believe our opportunity set is a compelling universe to generate alpha, and with global investors from both east and west increasingly looking for friendly foreign geographies to place their assets, we sense that the outlook for frontier markets may be brighter than many imagine.

Sam Vecht and Emily Fletcher

BlackRock Investment Management
(UK) Limited
25 May 2022

Interim Management Report and Responsibility Statement

The Chairman'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 2021. A detailed explanation can be found in the Strategic Report on pages 39 to 42 and in note 17 on pages 98 to 111 of the Annual Report and Financial Statements which are available on the website maintained by BlackRock at: www.blackrock.com/uk/brfi.

The ongoing COVID-19 pandemic has had a profound impact on all aspects of society in recent years. The impact of this significant event on the Company's financial risk exposure is disclosed in note 12.

The Directors have assessed the impact of market conditions arising from the COVID-19 outbreak on the Company's ability to meet its investment objective. Based on the latest available information, the Company continues to be managed in line with its investment objective, with no disruption to its operations.

Certain financial markets have fallen towards the end of the financial period due primarily to geo-political tensions arising from Russia's invasion of Ukraine and the impact of the subsequent range of sanctions, regulations and other measures which impaired normal trading in Russian securities. The Board and the Investment Manager continue to monitor investment performance in line with the Company's investment objectives, and the operations of the Company and the publication of net asset values are continuing.

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 COVID-19 pandemic and its 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. The Board believes that the Company and its key third party service providers have in place appropriate business continuity plans and will be able to maintain service levels through the COVID-19 pandemic.

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 and certain non-recurring items) were approximately 1.36% of average daily net assets for the year ended 30 September 2021.

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 27 and note 14 on page 34. The related party transactions with the Directors are set out in note 13 on page 34.

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.

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 Chairman'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 25 May 2022 and the above Responsibility Statement was signed on its behalf by the Chairman.

Audley Twiston-Davies

For and on behalf of the Board
25 May 2022

Ten largest investments¹

as at 31 March 2022

1 ▲ Emaar Properties (2021: 7th)

Real Estate (United Arab Emirates)

Portfolio value: \$16,208,000

Percentage of net assets: 4.5% (2021: 3.1%)

Emaar Properties is a real estate development company located in the UAE. It operates internationally providing both development and property management services. It is diversified across several property types, including commercial and residential, as well as malls and hospitality.

2 ▼ Saudi National Bank² (2021: 1st)

Financials (Saudi Arabia)

Portfolio value: \$15,454,000

Percentage of net assets: 4.3% (2021: 4.8%)

Saudi National Bank is the largest financial institution in Saudi Arabia, created following the merger of National Commercial Bank and Samba Financial Group in April 2021, providing a range of financial services from personal and corporate banking to brokerage and investment banking in Saudi Arabia. It also has international presence in the Middle East, South Asia and Turkey.

3 ▼ Bank Rakyat (2021: 2nd)

Financials (Indonesia)

Portfolio value: \$13,375,000

Percentage of net assets: 3.8% (2021: 3.8%)

Bank Rakyat is one of the largest banks in Indonesia. It specialises in small scale and microfinance style borrowing from and lending to its approximately 30 million retail clients through its over 4,000 branches, units and rural service posts.

4 ► FPT² (2021: 4th)

Information Technology (Vietnam)

Portfolio value: \$12,327,000

Percentage of net assets: 3.4% (2021: 3.5%)

FPT is the largest information technology service company in Vietnam with its core business focusing on the provision of information and communications technology related services to both domestic and foreign companies. The company is benefiting, in particular, from the digitisation of domestic companies.

5 ▲ Saudi British Bank² (2021: 6th)

Financials (Saudi Arabia)

Portfolio value: \$11,393,000

Percentage of net assets: 3.2% (2021: 3.2%)

Saudi British Bank is an associate of HSBC Group and the leading international bank in Saudi Arabia. The company has been an active partner in supporting Saudi Arabia's economic growth and social development by offering an array of corporate, institutional, retail banking and wealth management services since 1978.

6 ▼ Mobile World² (2021: 3rd)

Consumer Discretionary (Vietnam)

Portfolio value: \$11,259,000

Percentage of net assets: 3.2% (2021: 3.8%)

Mobile World is Vietnam's top mobile phone retailer by revenue and net profit after tax, with 2,200+ stores nationwide. During the pandemic, the company pivoted over 1,000 stores to online point of sales to comply with government lockdown rules.

7 ▲ United International Transport²

(2021: 12th)

Industrials (Saudi Arabia)

Portfolio value: \$10,825,000

Percentage of net assets: 3.0% (2021: 2.5%)

United International Transport is a Saudi Arabia based vehicle leasing and rental service company. Their services include domestic and international, short and long-term rentals as well as corporate leasing.

8 ▲ Leejam Sports² (2021: 13th)

Consumer Discretionary (Saudi Arabia)

Portfolio value: \$10,553,000

Percentage of net assets: 3.0% (2021: 2.5%)

Leejam Sports is a sports and fitness centre operator in the Middle East and North Africa region. It operates 75 fitness clubs across 13 cities, most of which are in Saudi Arabia.

9 ▲ CP All (2021: 10th)

Consumer Staples (Thailand)

Portfolio value: \$9,887,000

Percentage of net assets: 2.8% (2021: 2.7%)

CP All was initially established to operate convenience stores in Thailand under the “7-Eleven” trademark. The company has now expanded to include bill payment and collection services, manufacturing and sale of convenience store food and bakery products, and more recently, membership-based wholesale services through the Makro brand.

10 ▲ Indocement Tunggal Prakarsa

(2021: 15th)

Materials (Indonesia)

Portfolio value: \$9,275,000

Percentage of net assets: 2.6% (2021: 2.4%)

Indocement Tunggal Prakarsa is one of the largest cement producers in Indonesia, operating 13 factories, with a total annual production of approximately 25 million tonnes of cement.

¹ Gross market exposure as a % of net assets. Percentages in brackets represent the portfolio holding at 30 September 2021.

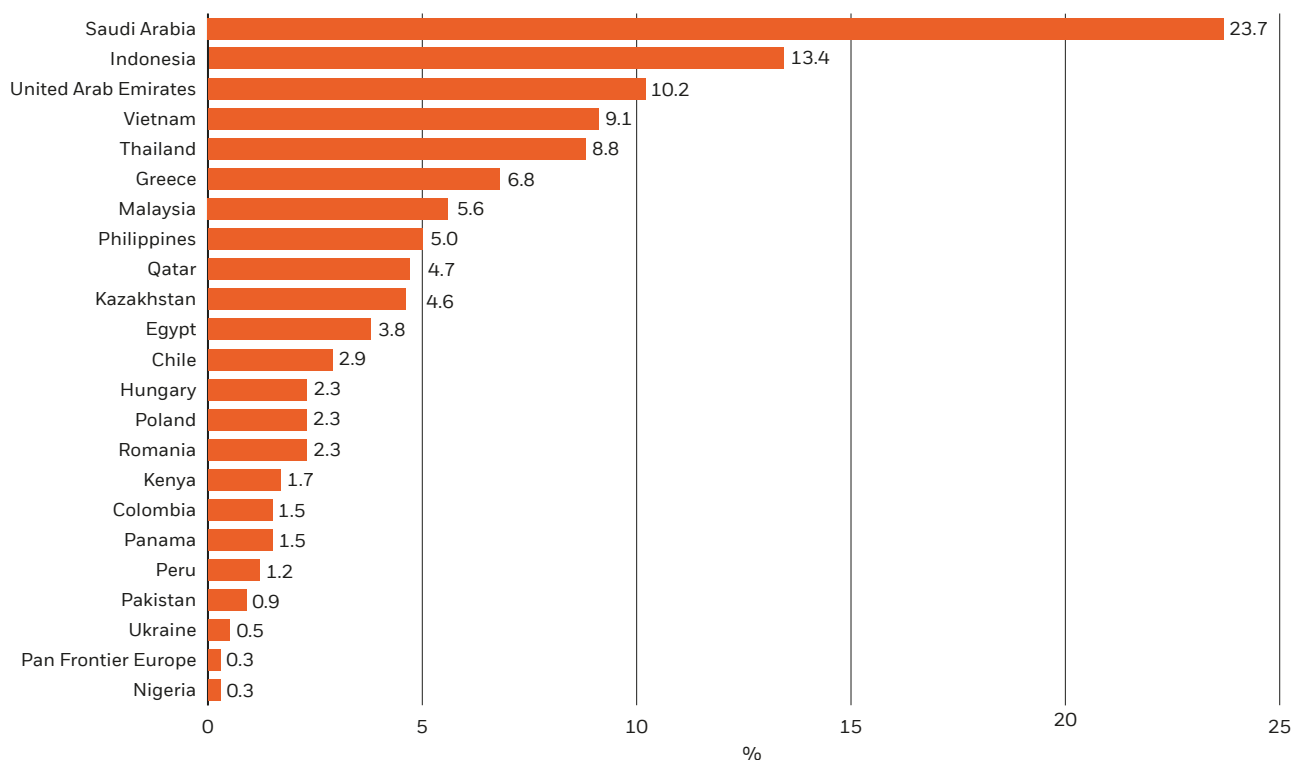
² Exposure gained via contracts for difference only.

³ Arrows indicate the change in the relative ranking of the position in the portfolio compared to its ranking as at 30 September 2021.

Portfolio analysis

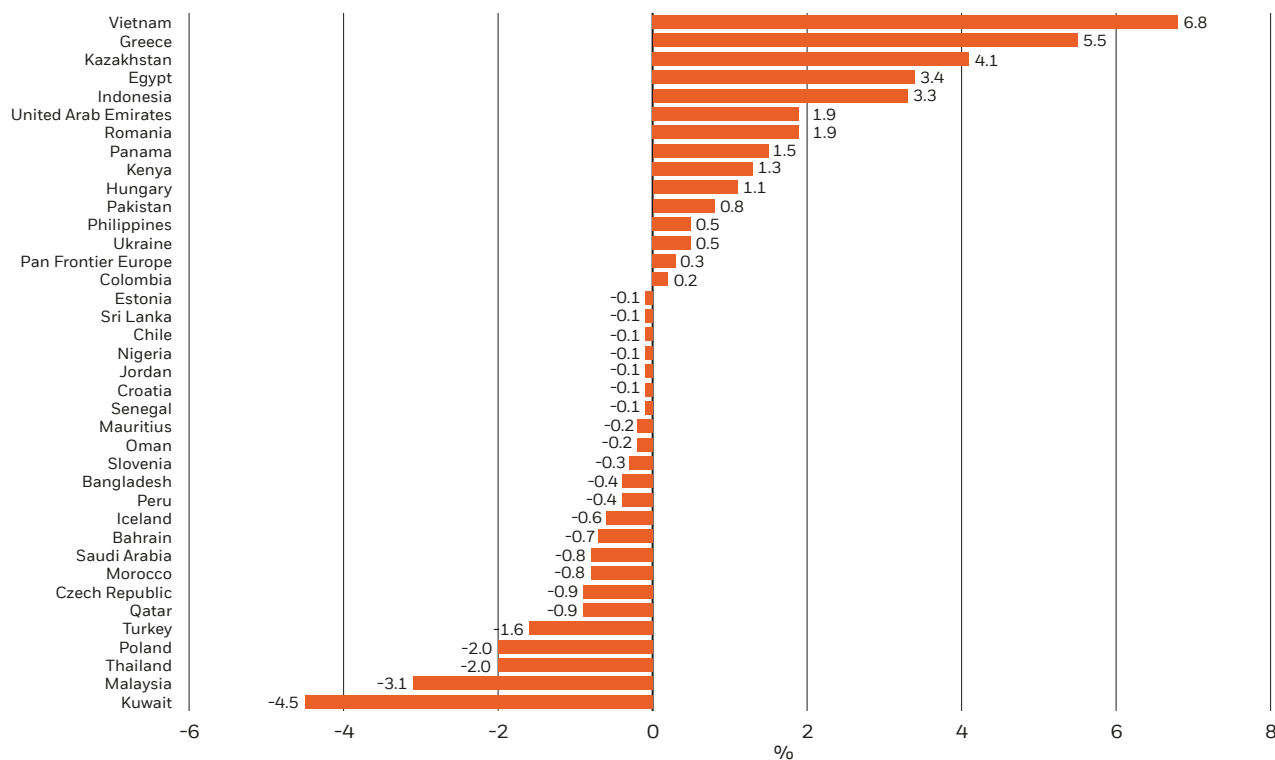
as at 31 March 2022

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



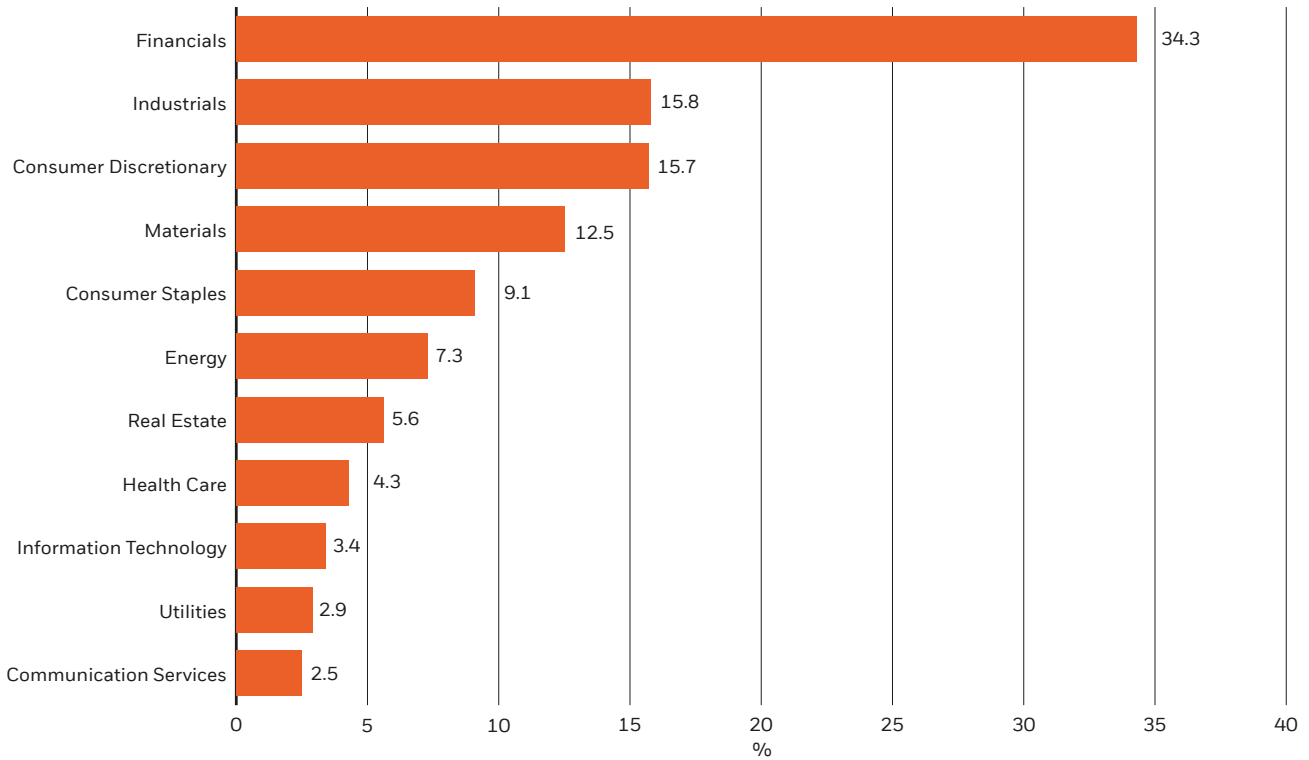
Source: BlackRock.

Country allocation relative to the Benchmark Index (%)¹



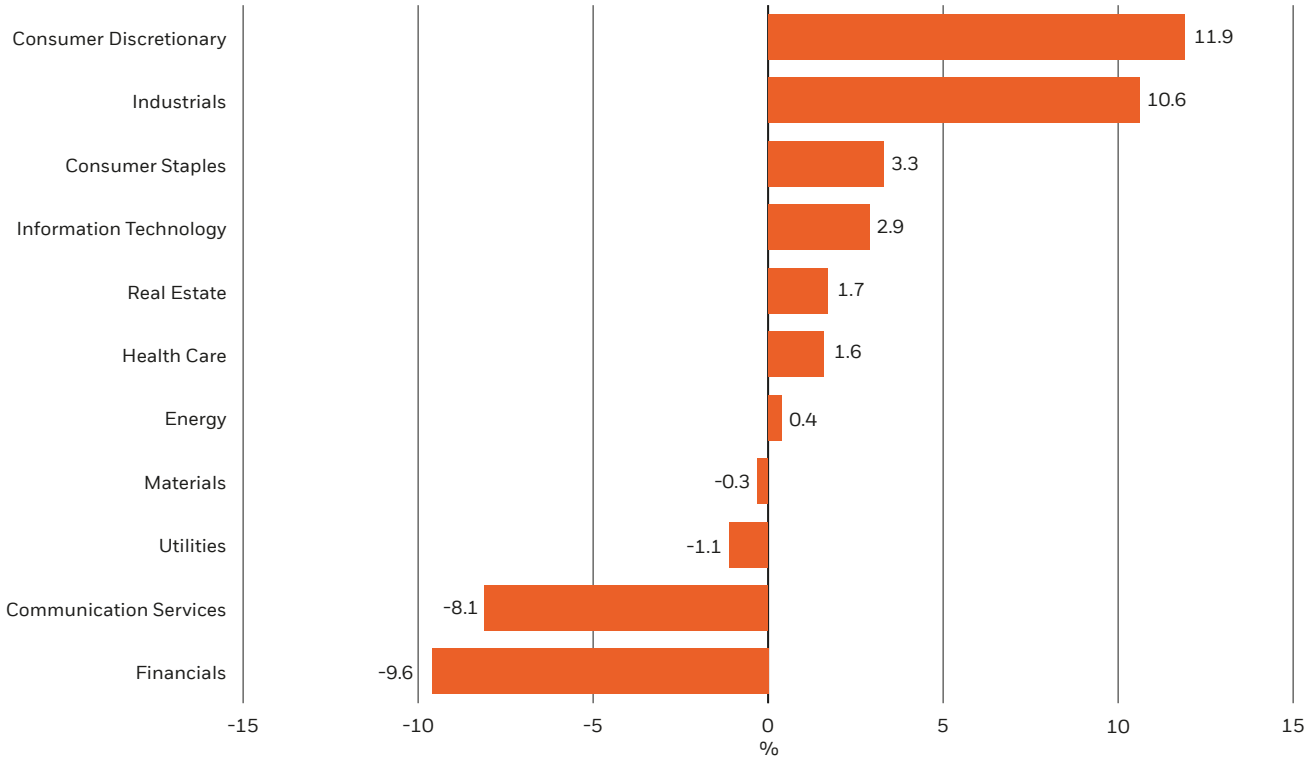
¹ Includes exposure gained through equity positions and long and short CFD positions.
Sources: BlackRock and Datastream.

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



Source: BlackRock.

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 2022

Equity portfolio

Company	Principal country of operation	Sector	Fair value ¹ US\$'000	Gross market exposure as a % of net assets ²
Bank Rakyat	Indonesia	Financials	13,375	3.8
Indocement Tunggal Prakarsa	Indonesia	Materials	9,275	2.6
Astra International	Indonesia	Consumer Discretionary	8,945	2.5
Mitra Adiperkasa	Indonesia	Consumer Discretionary	6,528	1.8
AKR Corporindo TBK	Indonesia	Energy	5,753	1.6
Pakuwon Jati	Indonesia	Real Estate	3,903	1.1
			47,779	13.4
Emaar Properties	United Arab Emirates	Real Estate	16,208	4.5
Fertiglobe	United Arab Emirates	Materials	9,216	2.6
Air Arabia	United Arab Emirates	Industrials	6,733	1.9
			32,157	9.0
CP All	Thailand	Consumer Staples	9,887	2.8
Airports Of Thailand	Thailand	Industrials	6,853	1.9
Bangkok Dusit Medical Services	Thailand	Health Care	6,000	1.7
Kasikornbank	Thailand	Financials	4,786	1.3
			27,526	7.7
Genting	Malaysia	Consumer Discretionary	7,306	2.0
Frontken Corp	Malaysia	Industrials	5,521	1.6
RHB Bank	Malaysia	Financials	5,410	1.5
Westports Holdings	Malaysia	Industrials	1,616	0.5
			19,853	5.6
Terna Energy	Greece	Utilities	6,366	1.8
National Bank of Greece	Greece	Financials	5,908	1.7
Hellenic Telecom Organisation	Greece	Communication Services	4,697	1.3
Titan Cement International	Greece	Materials	2,136	0.6
			19,107	5.4
International Container Terminal Services	Philippines	Industrials	5,510	1.5
Bloomberry Resorts	Philippines	Consumer Discretionary	4,578	1.3
LT Group	Philippines	Industrials	4,532	1.3
Jollibee Foods	Philippines	Consumer Discretionary	3,277	0.9
			17,897	5.0
Industries Qatar	Qatar	Industrials	5,858	1.6
Qatar Gas Transport	Qatar	Energy	5,687	1.6
Qatar National Bank	Qatar	Financials	5,360	1.5
			16,905	4.7
JSC Kaspi	Kazakhstan	Financials	7,423	2.1
Kazatomprom	Kazakhstan	Energy	4,999	1.4
Halyk Savings Bank	Kazakhstan	Financials	4,078	1.1
			16,500	4.6

Company	Principal country of operation	Sector	Fair value¹ US\$'000	Gross market exposure as a % of net assets²
Eastern Company	Egypt	Consumer Staples	5,495	1.5
EFG Hermes Holdings	Egypt	Financials	5,098	1.4
Orascom Construction	Egypt	Industrials	1,692	0.5
Integrated Diagnostics	Egypt	Health Care	1,513	0.4
			13,798	3.8
Empresas CMPC	Chile	Materials	5,345	1.5
Albemarle	Chile	Materials	5,065	1.4
			10,410	2.9
OTP Bank	Hungary	Financials	5,877	1.6
Wizz Air Holdings	Hungary	Industrials	1,729	0.5
MOL Group	Hungary	Energy	743	0.2
			8,349	2.3
BRD–Groupe Société Générale	Romania	Financials	4,733	1.3
Banca Transilvania	Romania	Financials	3,600	1.0
			8,333	2.3
PKO Bank Polski	Poland	Financials	4,676	1.3
LPP	Poland	Consumer Discretionary	2,783	0.8
			7,459	2.1
Equity Group	Kenya	Financials	6,088	1.7
			6,088	1.7
Ecopetrol	Colombia	Energy	5,391	1.5
			5,391	1.5
Copa Airlines	Panama	Industrials	5,177	1.5
			5,177	1.5
Credicorp	Peru	Financials	4,114	1.2
			4,114	1.2
Ferrexpo	Ukraine	Materials	1,678	0.5
			1,678	0.5
Guaranty Trust Bank	Nigeria	Financials	1,167	0.3
			1,167	0.3
Raiffeisen Bank International	Pan Frontier Europe	Financials	1,135	0.3
			1,135	0.3
Equity investments			270,823	75.8
BlackRock's Institutional Cash Series plc - US Dollar Liquid Environmentally Aware Fund (Cash Fund)			83,297	23.3
Total investments (including Cash Fund)			354,120	99.1

Investments

continued

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 ²
Long positions					
Saudi National Bank	Saudi Arabia	Financials		15,454	4.3
Saudi British Bank	Saudi Arabia	Financials		11,393	3.2
United International Transport	Saudi Arabia	Industrials		10,825	3.0
Leejam Sports	Saudi Arabia	Consumer Discretionary		10,553	3.0
Yanbu National Petrochemical	Saudi Arabia	Materials		9,235	2.6
National Medical Care	Saudi Arabia	Health Care		7,760	2.2
Abdullah Al Othaim Markets	Saudi Arabia	Consumer Staples		7,413	2.1
Riyad Bank	Saudi Arabia	Financials		4,770	1.3
Saudi Arabian Oil	Saudi Arabia	Energy		3,665	1.0
Al Nahdi Medical	Saudi Arabia	Consumer Staples		3,496	1.0
				84,564	23.7
FPT	Vietnam	Information Technology		12,327	3.4
Mobile World	Vietnam	Consumer Discretionary		11,259	3.2
Vietnam Dairy Products	Vietnam	Consumer Staples		6,055	1.7
Vietnam Technological & Commercial	Vietnam	Financials		2,902	0.8
				32,543	9.1
National Bank of Greece	Greece	Financials		2,691	0.7
Titan Cement International	Greece	Materials		2,417	0.7
				5,108	1.4
MCB Bank	Pakistan	Financials		3,009	0.9
				3,009	0.9
LPP	Poland	Consumer Discretionary		768	0.2
				768	0.2
Orascom Construction	Egypt	Industrials		161	0.0
				161	0.0
Total long CFD positions			4,856	126,153	35.3
Total short CFD positions			(471)	(8,292)	(2.3)
Total CFD portfolio			4,385	117,861	33.0

Fair value and gross market exposure of investments

as at 31 March 2022

Portfolio	Fair value ¹	Gross market exposure ²	Gross market exposure as a % of net assets ³		
	US\$'000	US\$'000	31 March 2022	31 March 2021	30 September 2021
Equity investments	270,823	270,823	75.8	73.0	73.1
Total long CFD positions	4,856	126,153	35.3	32.7	35.0
Total short CFD positions	(471)	(8,292)	(2.3)	(3.4)	(0.4)
Forward currency positions	–	–	0.0	5.4	4.6
Total gross exposure	275,208	388,684	108.8	107.7	112.3
Cash Fund	83,297	83,297	23.3	26.7	27.3
Total investments	358,505	471,981	132.1	134.4	139.6
Cash and cash equivalents	5,820	(107,656)	(30.1)	(33.6)	(35.9)
Net other current liabilities	(7,139)	(7,139)	(2.0)	(0.8)	(3.7)
Non-current liabilities	(19)	(19)	0.0	0.0	0.0
Net assets	357,167	357,167	100.0	100.0	100.0

The Company was geared through the use of long and short CFD positions and gross and net gearing as at 31 March 2022 was 13.5% and 8.8% respectively (31 March 2021: 9.1% and 2.3%; 30 September 2021: 8.5% and 7.6%). Gross and net gearing are Alternative Performance Measures, see Glossary on page 40.

¹ Fair value is determined as follows:

- Listed investments are valued at bid prices where available, otherwise at latest market traded quoted prices.
- The sum of the fair value column for the CFD contracts totalling US\$4,385,000 (fair value gains on long CFDs US\$4,856,000 less fair value loss on short CFDs of US\$471,000) represents the fair valuation of all the CFD contracts, which is determined based on the difference between the notional transaction price and value of the underlying shares in the contract (in effect the unrealised gains/(losses) on the exposed positions). The cost of purchasing the securities held through long CFD positions directly in the market would have amounted to US\$121,297,000 at the time of purchase, and subsequent market movements in prices have resulted in unrealised gains on the long CFD positions of US\$4,856,000 resulting in the value of the total market exposure to the underlying securities increasing to US\$126,153,000 as at 31 March 2022. The notional price of selling the securities to which exposure was gained via the short CFD positions would have been US\$7,821,000 at the time of entering into the contract, and subsequent market movements in prices have resulted in unrealised losses on the short CFD positions of US\$471,000 resulting in the value of the market exposure of these investments increasing to US\$8,292,000 at 30 September 2021. If the short positions had been closed on 31 March 2022 this would have resulted in an unrealised loss of US\$471,000 for the Company.

² The gross market exposure column for cash and cash equivalents has been adjusted to assume the Company purchased/sold direct holdings rather than exposure being gained through long and short CFDs and forward currency positions.

³ Market exposure in the case of equity investments is the same as fair value. In the case of long and short CFDs it is the market value of the underlying shares to which the portfolio is exposed via the contract. Market exposure in the case of forward currency positions is the value of the receivable portion of the forward currency contracts. There were no open forward currency positions at 31 March 2022.

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 2022 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 2022 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 and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. 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 will be 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".

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.

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 is 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 and Ireland) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. 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

25 May 2022

Statement of Comprehensive Income

for the six months ended 31 March 2022

	Notes	Six months ended 31 March 2022 (unaudited)			Six months ended 31 March 2021 (unaudited) (restated) ¹			Year ended 30 September 2021 (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	4,963	74	5,037	4,951	–	4,951	10,973	–	10,973
Net income from contracts for difference	3	644	–	644	1,026	–	1,026	7,966	–	7,966
Other income	3	1	–	1	–	–	–	–	–	–
Total income		5,608	74	5,682	5,977	–	5,977	18,939	–	18,939
Net (loss)/gain on investments held at fair value through profit or loss		–	(1,929)	(1,929)	–	85,852	85,852	–	88,376	88,376
Net gain/(loss) on foreign exchange		–	363	363	–	(1,609)	(1,609)	–	(1,399)	(1,399)
Net profit from derivatives		–	11,154	11,154	–	27,813	27,813	–	53,428	53,428
Total		5,608	9,662	15,270	5,977	112,056	118,033	18,939	140,405	159,344
Expenses										
Investment management and performance fees	4	(394)	(1,574)	(1,968)	(403)	(2,891)	(3,294)	(777)	(6,922)	(7,699)
Other operating expenses	5	(430)	(22)	(452)	(456)	(21)	(477)	(891)	(60)	(951)
Total operating expenses		(824)	(1,596)	(2,420)	(859)	(2,912)	(3,771)	(1,668)	(6,982)	(8,650)
Net profit on ordinary activities before finance costs and taxation		4,784	8,066	12,850	5,118	109,144	114,262	17,271	133,423	150,694
Finance costs	6	(1)	(2)	(3)	(1)	(4)	(5)	(2)	(8)	(10)
Net profit on ordinary activities before taxation		4,783	8,064	12,847	5,117	109,140	114,257	17,269	133,415	150,684
Taxation	7	(408)	(4)	(412)	(491)	27	(464)	(2,365)	1,153	(1,212)
Profit for the period		4,375	8,060	12,435	4,626	109,167	113,793	14,904	134,568	149,472
Earnings per ordinary share (cents)	9	2.31	4.26	6.57	2.00	47.27	49.27	7.09	64.06	71.15

¹ Please refer to note 2 on page 26 for more information regarding the restatement of prior period comparatives.

The total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with UK-adopted International Accounting Standards (IASs). 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.

Statement of Changes in Equity

for the six months ended 31 March 2022

	Called up share capital	Share premium account	Capital redemption reserve	Special reserve	Capital reserves	Revenue reserve	Total
Note	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
For the six months ended 31 March 2022 (unaudited)							
At 30 September 2021	2,418	–	5,798	308,804	26,051	9,707	352,778
Total comprehensive income:							
Net profit for the period	–	–	–	–	8,060	4,375	12,435
Transactions with owners, recorded directly to equity:							
Dividends paid ¹	8	–	–	–	–	(8,046)	(8,046)
At 31 March 2022	2,418	–	5,798	308,804	34,111	6,036	357,167
For the six months ended 31 March 2021 (unaudited) (restated)²							
At 30 September 2020	2,418	165,984	5,798	230,040	(108,517)	10,261	305,984
Total comprehensive income:							
Net profit for the period	–	–	–	–	109,167	4,626	113,793
Transactions with owners, recorded directly to equity:							
Cancellation of share premium account ³	–	(165,984)	–	165,984	–	–	–
Tender offer	–	–	–	(86,434)	–	–	(86,434)
Tender offer costs	–	–	–	(803)	–	–	(803)
Dividends paid ⁴	–	–	–	–	–	(10,252)	(10,252)
At 31 March 2021	2,418	–	5,798	308,787	650	4,635	322,288
For the year ended 30 September 2021 (audited)							
At 30 September 2020	2,418	165,984	5,798	230,040	(108,517)	10,261	305,984
Total comprehensive income:							
Net profit for the year	–	–	–	–	134,568	14,904	149,472
Transactions with owners, recorded directly to equity:							
Cancellation of share premium account ²	–	(165,984)	–	165,984	–	–	–
Tender offer	–	–	–	(86,434)	–	–	(86,434)
Tender offer costs	–	–	–	(786)	–	–	(786)
Dividends paid ⁵	–	–	–	–	–	(15,458)	(15,458)
At 30 September 2021	2,418	–	5,798	308,804	26,051	9,707	352,778

¹ Final dividend of 4.25 cents per share for the year ended 30 September 2021, declared on 1 December 2021 and paid on 11 February 2022.

² Please refer to note 2 on page 26 for more information regarding the restatement of prior period comparatives.

³ Share premium account was cancelled pursuant to Court approval on 11 March 2021 and US\$166.0m was transferred to the special reserve. Please refer to note 16 on pages 97 and 98 of the Annual Report and Financial Statements for the year ended 30 September 2021 for further details.

⁴ Final dividend of 4.25 cents per share for the year ended 30 September 2020, declared on 11 December 2020 and paid on 12 February 2021.

⁵ Final dividend of 4.25 cents per share for the year ended 30 September 2020, declared on 11 December 2020 and paid on 12 February 2021 and interim dividend paid in respect of the year ended 30 September 2021 of 2.75 cents per share, declared on 1 June 2021 and paid on 25 June 2021.

For information on the Company's distributable reserves, please refer to note 11 on page 31.

Statement of Financial Position

as at 31 March 2022

	Notes	31 March 2022 (unaudited) US\$'000	31 March 2021 (unaudited) (restated) ¹ US\$'000	30 September 2021 (audited) US\$'000
Non current assets				
Investments held at fair value through profit or loss	12	354,120	321,493	354,075
Current assets				
Current tax asset		408	206	418
Other receivables		4,611	4,132	3,878
Derivative financial assets held at fair value through profit or loss - contracts for difference		6,474	3,430	7,725
Derivative financial assets held at fair value through profit or loss - forward currency contracts		-	202	346
Cash and cash equivalents		5,820	1,275	5,717
Cash collateral pledged with brokers		320	80	330
Total current assets		17,633	9,325	18,414
Total assets		371,753	330,818	372,489
Current liabilities				
Bank overdraft		-	(434)	-
Other payables		(7,265)	(5,088)	(11,597)
Derivative financial liabilities held at fair value through profit or loss - contracts for differences		(2,089)	(976)	(1,908)
Liability for cash collateral received		(5,213)	(2,013)	(6,187)
Total current liabilities		(14,567)	(8,511)	(19,692)
Total assets less current liabilities		357,186	322,307	352,797
Non current liabilities				
Management shares of £1.00 each (one quarter paid)		(19)	(19)	(19)
Net assets		357,167	322,288	352,778
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	308,787	308,804
Capital reserves		34,111	650	26,051
Revenue reserve		6,036	4,635	9,707
Total equity		357,167	322,288	352,778
Net asset value per ordinary share (cents)	9	188.65	170.23	186.33

¹ Please refer to note 2 on page 26 for more information regarding the restatement of prior period comparatives.

The financial statements on pages 21 to 35 were approved and authorised for issue by the Board of Directors on 25 May 2022 and signed on its behalf by Mr Twiston-Davies, Chairman.

BlackRock Frontiers Investment Trust plc

Registered in England, No. 7409667

The notes on pages 25 to 35 form part of these financial statements.

Cash Flow Statement

for the six months ended 31 March 2022

	31 March 2022 (unaudited)	31 March 2021 (unaudited) (restated) ¹	30 September 2021 (audited)
	US\$'000	US\$'000	US\$'000
Operating activities			
Net profit on ordinary activities before taxation	12,843	114,257	150,684
Add back finance costs	3	5	10
Net profit on investments and contracts for difference held at fair value through profit or loss (including transaction costs)	(9,729)	(114,300)	(142,733)
Net (gain)/loss on foreign exchange	(363)	1,609	1,399
Sales of investments held at fair value through profit or loss	88,020	181,056	253,543
Purchases of investments held at fair value through profit or loss	(102,860)	(90,022)	(182,331)
Sales of Cash Fund ²	114,354	99,033	176,807
Purchases of Cash Fund ²	(101,418)	(120,637)	(208,621)
Amounts paid for losses on closure of derivatives	(21,803)	(10,166)	(22,372)
Amounts received on gains on closure of derivatives	34,823	35,974	70,902
Increase in other receivables	(1,484)	(964)	(661)
Increase in other payables	393	582	3,780
Decrease in amounts due from brokers	1,097	703	437
(Decrease)/Increase in amounts due to brokers	(4,725)	1,796	5,452
Net cash collateral (pledged)/received	(964)	(319)	3,605
Taxation paid	(398)	(456)	(1,566)
Net cash inflow from operating activities	7,789	98,151	108,335
Financing activities			
Interest paid	(3)	(5)	(10)
Tender offer	–	(86,434)	(86,434)
Tender costs paid	–	(479)	(786)
Dividends paid	(8,046)	(10,252)	(15,458)
Net cash outflow from financing activities	(8,049)	(97,170)	(102,688)
(Decrease)/increase in cash and cash equivalents	(260)	981	5,647
Effect of foreign exchange rate changes	363	(1,609)	(1,399)
Change in cash and cash equivalents	103	(628)	4,248
Cash and cash equivalents at the start of the period	5,717	1,469	1,469
Cash and cash equivalents at the end of the period	5,820	841	5,717
Comprised of:			
Cash at bank	5,820	1,275	5,717
Bank overdraft	–	(434)	–
	5,820	841	5,717

¹ Please refer to note 2 on page 26 for more information regarding the restatement of prior period comparatives.

² Cash Fund represents funds held on deposit with BlackRock Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund.

The notes on pages 25 to 35 form part of these financial statements.

Notes to the financial statements

for the six months ended 31 March 2022

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 2022 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 2021, which have been prepared in accordance with International Accounting Standards (IASs) in conformity with the requirements of the Companies Act 2006.

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 April 2021, is compatible with UK-adopted IASs, the financial statements have been prepared in accordance with guidance set out in the SORP.

Amendments to IFRS 9, IAS 39 and IFRS 7 – Interest rate benchmark reform Phase 2 (effective 1 January 2021). The Phase 2 amendments address issues that might affect financial reporting during the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate (replacement issues).

The objectives of the Phase 2 amendments are to assist companies in:

- applying IFRS Standards when changes are made to contractual cash flows or hedging relationships because of the interest rate benchmark reform; and
- providing useful information to users of financial statements.

In Phase 2 of its project, the Board amended requirements in IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases relating to:

- changes in the basis for determining contractual cash flows of financial assets, financial liabilities and lease liabilities;
- hedge accounting; and
- disclosures.

The Phase 2 amendments apply only to changes required by the interest rate benchmark reform to financial instruments and hedging relationships.

These amendments have been adopted by the UK. The adoption of these amendments did not have any significant impact on the Company.

International Accounting Standards that have yet to be adopted:

IFRS 17 – Insurance contracts (effective 1 January 2023). This standard replaces IFRS 4, which currently permits a wide range of accounting practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features. 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.

Notes to the financial statements

continued

2. Basis of preparation continued

Restatement of prior period comparatives

During the six months period ended 31 March 2021, the value of the tender pool recognised in the financial statements was based on the value of the assets allocated to the tender pool on the calculation date instead of the tender price being the value of these assets when fully realised. The comparative figures for the period ended 31 March 2021 have been restated to reflect the amounts realised from the tender pool instead of value of assets allocated to the tender pool in line with the Company's Annual Report and Financial Statements for the year ended 30 September 2021. As a result of this restatement, the financial statement line items that have been materially impacted are summarised in the table below:

Financial statement line item as at and for the six months period ended 31 March 2021	Amount before restatement US\$'000	Restatement US\$'000	Amount after restatement US\$'000
Net profit/(loss) on investments held at fair value through profit or loss	86,237	(385)	85,852
Net (loss)/profit on foreign exchange	(112)	(1,497)	(1,609)
Profit/(loss) for the period	115,638	(1,845)	113,793
Special reserves	306,942	1,845	308,787
Capital reserves	2,546	(1,896)	650
Revenue reserve	4,584	51	4,635
Tender offer in cash flow statement	88,713	(2,279)	86,434

This restatement had no effect on the Company's net asset value as at 31 March 2021.

3. Income

	Six months ended 31 March 2022 (unaudited) US\$'000	Six months ended 31 March 2021 (unaudited) (restated) ¹ US\$'000	Year ended 30 September 2021 (audited) US\$'000
Investment income:			
UK dividends	–	167	166
Overseas dividends	4,500	3,594	9,344
Overseas special dividends	407	1,121	1,340
Interest from Cash Fund	56	69	123
Total investment income	4,963	4,951	10,973
Net income from contracts for difference	644	1,026	7,966
Deposit interest	1	–	–
Total income	5,608	5,977	18,939

¹ Please refer to note 2 above for more information regarding the restatement of prior period comparatives.

Dividends and interest received in cash in the six months ended 31 March 2022 amounted to US\$3,239,000 and US\$49,000 (six months ended 31 March 2021: US\$4,090,000 and US\$76,000; year ended 30 September 2021: US\$11,549,000 and US\$129,000).

Special dividends of US\$74,000 have been recognised in capital for the six months ended 31 March 2022 (six months ended 31 March 2021: US\$nil; year ended 30 September 2021: US\$nil).

4. Investment management fee and performance fees

	Six months ended 31 March 2022 (unaudited)			Six months ended 31 March 2021 (unaudited) (restated) ¹			Year ended 30 September 2021 (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	394	1,574	1,968	403	1,613	2,016	777	3,107	3,884
Performance fee	–	–	–	–	1,278	1,278	–	3,815	3,815
Total	394	1,574	1,968	403	2,891	3,294	777	6,922	7,699

¹ Please refer to note 2 on page 26 for more information regarding the restatement of prior period comparatives.

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 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 Net Asset Value total return was measured against the performance of the Benchmark Index on a blended basis.

For the six months ended 31 March 2022, the Company's NAV underperformed the Benchmark Index on a US Dollar basis by 7.1% (six months ended 31 March 2021: outperformed by 19.2%; year ended 30 September 2021: outperformed by 25.7%); therefore, a performance fee of US\$nil has been accrued (six months ended 31 March 2021: US\$1,278,000; year ended 30 September 2021: US\$3,815,000). Any accrued performance fee is included within other payables on the Statement of Financial Position. Any final performance fee for the full year ending 30 September 2022 will not crystallise and fall due until the calculation date of 30 September 2022.

The performance fee payable in any year is capped at an amount equal to 2.5% or 1.0% of the gross assets if there is any increase or decrease in the NAV per share at the end of the relevant performance period, respectively. Any capped excess outperformance 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 relative outperformance of the NAV 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.

The investment management fee is allocated 80% to the capital account and 20% to the revenue 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.

Notes to the financial statements

continued

5. Other operating expenses

	Six months ended 31 March 2022 (unaudited)	Six months ended 31 March 2021 (unaudited) (restated) ¹	Year ended 30 September 2021 (audited)
	US\$'000	US\$'000	US\$'000
Allocated to revenue:			
Custody fee	118	101	212
Auditor's remuneration:			
- audit services ²	26	40	72
- other assurance services ³	5	5	9
Registrar's fee	16	18	45
Directors' emoluments	109	114	183
Broker fees	20	19	40
Depository fees ⁴	14	18	32
Marketing fees	40	56	101
AIC fees	11	11	19
FCA fees	9	9	17
Printing and postage fees	20	28	57
Employer NI contributions	15	12	17
Stock exchange listings	6	7	12
Legal and professional fees	8	10	18
Write back of prior year expenses ^{5,6}	(6)	(50)	(50)
Other administrative costs	19	58	107
	430	456	891
Allocated to capital:			
Custody transaction charges ⁷	22	21	60
	452	477	951

¹ Please refer to note 2 on page 26 for more information regarding the restatement of prior period comparatives.

² For the year ended 30 September 2021, fees for audit services excluded £10,000 (US\$14,000) (excluding VAT) paid in respect of the additional audit work on the Company's tender offer. These fees are included within tender offer costs in the Statement of Changes in Equity.

³ Fees for other assurance services of £3,550 (US\$5,000) (six months ended 31 March 2021: £3,550 (US\$5,000); year ended 30 September 2021: £6,500 (US\$9,000)) relate to the review of the interim financial statements.

⁴ All expenses other than depository fees are paid in British Pound Sterling and are therefore subject to exchange rate fluctuations.

⁵ Relates to Directors' expenses and miscellaneous fees written back during the six months ended 31 March 2022.

⁶ Relates to Directors' search fees, legal fees, Directors' expenses and AIC fees written back during the six months ended 31 March 2021 and the year ended 30 September 2021.

⁷ For the six month period ended 31 March 2022, expenses of £17,000 (US\$22,000) (six months ended 31 March 2021: £15,000 (US\$21,000); year ended 30 September 2021: £45,000 (US\$60,000)) 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\$170,000 for the six months ended 31 March 2022 (six months ended 31 March 2021: US\$138,000; year ended 30 September 2021: US\$264,000). Costs relating to the disposal of investments amounted to US\$120,000 for the six months ended 31 March 2022 (six months ended 31 March 2021: US\$242,000; year ended 30 September 2021: US\$328,000). All transaction costs have been included within the capital reserve.

6. Finance costs

	Six months ended 31 March 2022 (unaudited)			Six months ended 31 March 2021 (unaudited)			Year ended 30 September 2021 (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 payable – bank overdraft	1	2	3	1	4	5	2	8	10
Total	1	2	3	1	4	5	2	8	10

7. Taxation

Analysis of charge/(credit) for the period:

	Six months ended 31 March 2022 (unaudited)			Six months ended 31 March 2021 (unaudited) (restated) ¹			Year ended 30 September 2021 (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 tax:									
Corporation tax	–	–	–	48	(48)	–	1,220	(1,220)	–
Overseas tax	408	4	412	443	–	443	1,145	–	1,145
Overseas tax on capital gains	–	–	–	–	21	21	–	67	67
Total taxation charge/(credit)	408	4	412	491	(27)	464	2,365	(1,153)	1,212

¹ Please refer to note 2 on page 26 for more information regarding the restatement of prior period comparatives.

8. Dividends

The Board has declared an interim dividend of 2.75 cents per share for the period ended 31 March 2022 which will be paid on 24 June 2022 to shareholders on the register at 6 June 2022 (interim dividend for the six months ended 31 March 2021: 2.75 cents per share). This dividend has not been accrued in the financial statements for the six months ended 31 March 2022 as, under IAS, interim dividends are not recognised until paid. Dividends are debited directly to reserves.

Notes to the financial statements

continued

9. Earnings and net asset value per ordinary share

Total revenue, capital return and net asset value per ordinary share are shown below and have been calculated using the following:

	Six months ended 31 March 2022 (unaudited)	Six months ended 31 March 2021 (unaudited) (restated) ¹	Year ended 30 September 2021 (audited)
Net revenue profit attributable to ordinary shareholders (US\$'000)	4,375	4,626	14,904
Net capital profit attributable to ordinary shareholders (US\$'000)	8,060	109,167	134,568
Total profit attributable to ordinary shareholders (US\$'000)	12,435	113,793	149,472
Equity shareholders' funds (US\$'000)	357,167	322,288	352,778
The weighted average number of ordinary shares in issue during the period, on which the return per ordinary share was calculated was:	189,325,748	230,947,596	210,079,656
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	2.31	2.00	7.09
Capital earnings per share (cents) – basic and diluted	4.26	47.27	64.06
Total earnings per share (cents) – basic and diluted	6.57	49.27	71.15

¹ Please refer to note 2 on page 26 for more information regarding the restatement of prior period comparatives.

	As at 31 March 2022 (unaudited)	As at 31 March 2021 (unaudited)	As at 30 September 2021 (audited)
Net asset value per ordinary share (cents)	188.65	170.23	186.33
Ordinary share price (cents) ¹	169.19	172.46	165.18
Net asset value per ordinary share (pence) ²	143.29	123.38	138.19
Ordinary share price (pence)	128.50	125.00	122.50

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\$1.3166 to £1 at 31 March 2022 (31 March 2021: US\$1.3797 to £1; 30 September 2021: US\$1.3484 to £1).

² Based on an exchange rate of US\$1.3166 to £1 at 31 March 2022 (31 March 2021: US\$1.3797 to £1; 30 September 2021: US\$1.3484 to £1).

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 2021	189,325,748	52,497,053	241,822,801	2,418
At 31 March 2022	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 2021.

During the six months ended 31 March 2022, the Company did not issue any ordinary shares (six months ended 31 March 2021 and year ended 30 September 2021: nil) for a total gross consideration of US\$nil (six months ended 31 March 2021 and year ended 30 September 2021: US\$nil). Additionally, during the period there was no tender offer and no shares (six months ended 31 March 2021 and year ended 30 September 2021: 51,884,770 shares) were transferred into treasury for a total consideration of US\$nil (six months ended 31 March 2021 and year ended 30 September 2021: US\$87,220,000).

Since 31 March 2022 and up to the date of this report, no ordinary shares have been issued or bought back.

11. Reserves

The share premium and capital redemption reserve are not distributable profits 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 profits for all purposes and, in particular, the repurchase by the Company of its ordinary shares and for payments as dividends. In accordance with the Company's Articles of Association, special reserves, capital reserves and the revenue reserve may be distributed by way of dividend. The capital reserve arising on the revaluation of investments of US\$6,840,000 (31 March 2021: gain of US\$19,674,000; 30 September 2021: gain of US\$13,092,000) 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.

12. Valuation of financial instruments

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 issue, recessions, climate change or other events could have a significant impact on the Company and its investments.

The coronavirus outbreak has had a profound impact on all aspects of society in recent years. While there is a growing consensus in developed economies that the worst of the impact is now over, there is an expectation that travel restrictions, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, cancellations, supply chain disruptions, and lower consumer demand will create ongoing challenges. While widescale vaccination programmes are now in place in many countries and are having a positive effect, the impact of COVID-19 continues to adversely affect the economies of many nations across the globe and this impact may be greater where vaccination rates are lower, such as in certain emerging markets. Although it is difficult to make timing predictions, it is expected that the economic effects of COVID-19 will continue to be felt for a period after the virus itself has moved from being pandemic to endemic in nature, and this in turn may continue to impact investments held by the Company.

Notes to the financial statements

continued

12. Valuation of financial instruments continued

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 pages 88 and 89 of the Company's Annual Report and Financial Statements for the year ended 30 September 2021.

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 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 based on the difference between the underlying equity bid/ask prices and the notional transaction prices (in effect, the unrealised gains and losses). 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. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager.

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 price related 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 2022 (unaudited)	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Assets:				
Equity investments	270,823	–	–	270,823
Cash Fund	83,297	–	–	83,297
Contracts for difference (fair value)	–	6,474	–	6,474
Liabilities:				
Contracts for difference (fair value)	–	(2,089)	–	(2,089)
	354,120	4,385	–	358,505

Financial assets/(liabilities) at fair value through profit or loss at 31 March 2021 (unaudited)	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Assets:				
Equity investments	235,436	–	–	235,436
Cash Fund	86,057	–	–	86,057
Contracts for difference (fair value)	–	3,430	–	3,430
Forward currency contracts (fair value)	–	202	–	202
Liabilities:				
Contracts for difference (fair value)	–	(976)	–	(976)
	321,493	2,656	–	324,149

Financial assets/(liabilities) at fair value through profit or loss at 30 September 2021 (audited)	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Assets:				
Equity investments	257,806	–	–	257,806
Cash Fund	96,269	–	–	96,269
Contracts for difference (fair value)	–	7,725	–	7,725
Forward currency contracts (fair value)	–	346	–	346
Liabilities:				
Contracts for difference (fair value)	–	(1,908)	–	(1,908)
	354,075	6,163	–	360,238

There were no transfer between levels of financial assets and financial liabilities during the period recorded at fair value as at 31 March 2022, 31 March 2021 or the year ended 30 September 2021. The Company held no Level 3 securities during the period ended 31 March 2022.

Notes to the financial statements

continued

12. Valuation of financial instruments continued

A reconciliation of fair value measurement in Level 3 is set out below.

	31 March 2022 (unaudited) US\$'000	31 March 2021 (unaudited) US\$'000	30 September 2021 (audited) US\$'000
Level 3 Financial assets at fair value through profit or loss			
Opening fair value	–	3	3
Disposal of Contract for difference (fair value) ¹	–	(3)	(3)
Closing balance	–	–	–

¹ During the year ended 30 September 2021, the Company disposed of a contract for difference in Kuwait Food (Americana).

13. Related party disclosure

Directors' emoluments

The Board consists of six 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 2021, the Chairman receives an annual fee of £39,000, the Chairman of the Audit and Management Engagement Committee receives an annual fee of £33,000 and each of the other Directors receives an annual fee of £29,000.

As at 31 March 2022, an amount of US\$20,200 (£15,300) was outstanding in respect of Directors' fees (31 March 2021: US\$14,000 (£10,500); 30 September 2021: US\$15,000 (£11,000)).

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

	Ordinary shares
Audley Twiston-Davies (Chairman)	128,935
Liz Airey ¹	75,000
Katrina Hart	39,789
Lucy Taylor-Smith ¹	Nil
Stephen White	30,000
Sarmad Zok	Nil

¹ Appointed as a Non-Executive Director on 10 December 2021.

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 pages 50 and 51 of the Directors' Report in the Company's Annual Report and Financial Statements for the year ended 30 September 2021.

The investment management fee due for the six months ended 31 March 2022 amounted to US\$1,968,000 (six months ended 31 March 2021: US\$2,016,000; year ended 30 September 2021: US\$3,884,000). There is no performance fee payable for the six months ended 31 March 2022 (six months ended 31 March 2021: US\$1,278,000; year ended 30 September 2021: US\$3,815,000).

At the period end, US\$1,968,000 was outstanding in respect of management fees (31 March 2021: US\$1,016,000; 30 September 2021: US\$1,867,000) and US\$3,815,000 was outstanding in respect of performance fees (31 March 2021: US\$1,278,000; 30 September 2021: US\$3,815,000). Any final performance fee for the full year ending 30 September 2022 will not crystallise and fall due until the calculation date of 30 September 2022.

In addition to the above services, BlackRock has provided the Company with marketing services. The total fees paid or payable for these services to 31 March 2022 amounted to US\$40,000 excluding VAT (six months ended 31 March 2021: US\$56,000; year ended 30 September 2021: US\$101,000). Marketing fees of US\$104,000 excluding VAT (31 March 2021: US\$127,000; 30 September 2021: US\$64,000) were outstanding as at 31 March 2022.

The Company has an investment in the BlackRock Institutional Cash Series plc - US Dollar Liquid Environmentally Aware Fund of US\$83,297,000 as at 31 March 2022 which is a fund managed by a company within the BlackRock Group (31 March 2021: US\$86,057,000; 30 September 2021: US\$96,269,000).

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 2022 (six months ended 31 March 2021: nil; year ended 30 September 2021: nil).

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 2022 and 31 March 2021 has not been audited.

The information for the year ended 30 September 2021 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 2022 in early December 2022.

Copies of the annual results announcement can be obtained from the Secretary on 020 7743 3000 or at cosec@blackrock.com. The Annual Report should be available by late December 2022 with the Annual General Meeting being held in February 2023.

Directors



Audley Twiston-Davies
Chairman

Appointed on 23 November 2010

Currently Chairman of the Governors of the Haberdashers Monmouth Schools. He was formerly Chairman of Taylor Young Investment Management Limited, non-executive Chairman of TR European Growth Trust plc and Kazimir Russian Growth Fund and also the Chief Executive Officer of F&C Emerging Markets Limited.



Sarmad Zok
Director

Appointed on 8 February 2011

Chief Executive Officer of Kingdom Hotel Investments (UK, Ltd) and a director on the boards of Four Seasons Hotels and Resorts, AccorHotels and Kingdom Holding Company. Mr Zok is an active member of the boards of the hotel management companies he sits on, being directly engaged on strategy, product, operations/ guest experience, growth and value creation. In his early career, Mr Zok worked at HVS International and Hilton International. He holds a Bachelor of Science in Hotel Management from the University of Surrey and a Master of Arts in Property Valuation and Law from City University Business School in London.



Stephen White
Director

Appointed on 13 July 2016

Audit and Management Engagement Committee Chairman from 22 November 2016

Currently a non-executive director of Aberdeen New India Investment Trust plc, Polar Capital Technology Trust plc and Chairman of Brown Advisory US Smaller Companies plc. He was formerly a non-executive director of 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 Price Waterhouse. He is a Chartered Accountant.



Katrina Hart
Director

Appointed on 1 October 2019

Currently a non-executive director of Polar Capital Global Financials Trust Plc, Keystone Positive Change Investment Trust plc, Montanaro Asset Management Ltd and of AEW UK REIT plc. She was formerly a non-executive director of Premier Miton Group plc. Mrs Hart spent her executive career in investment banking, advising, analysing and commenting 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.



Liz Airey
Director

Appointed on 10 December 2021

Currently Chairman of abrdn UK Smaller Companies Growth Trust plc, Chairman of Rolls-Royce UK Pension Fund Trustees Limited and a non-executive Director of Kirk Lovegrove & Company Limited. She is also a member of the Investment Committee of the Institute of Chartered Accountants in England and Wales, a member of the Investments Committee of the Royal Horticultural Society and a member of the Advisory Board of Ownership Capital B.V. Previously, she was non-executive Chairman of Jupiter Fund Management plc, a non-executive Director of Tate & Lyle plc and a non-executive Director of Dunedin Enterprise Investment Trust plc. 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 on 10 December 2021

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

Management and other service providers

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(Registered in England, No. 07409667)
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Independent Auditor

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London E14 5EY

Alternative Investment Fund Manager

BlackRock Fund Managers Limited¹
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Stockbrokers

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The Atrium Building
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London EC4R 2GA

Investment Manager and Company Secretary

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Depositary, Custodian and Banker

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1 Canada Square
London E14 5AL

Registrar

Computershare Investor Services PLC¹
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 707 4027

¹ Authorised and regulated by the Financial Conduct Authority.

Glossary

Alternative performance measure (APM)

An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the financial statements.

The Company's APMs are set out below and are cross-referenced where relevant to the financial inputs used to derive them as contained in other sections of the 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 2022, the Company's NAV total return was 3.6% (six months ended 31 March 2021: 37.7%; year ended 30 September 2021: 53.0%) and the net total return of the Benchmark Index was 10.7% (six months ended 31 March 2021: 18.5%; year ended 30 September 2021: 27.3%), therefore the Company's NAV underperformed the Benchmark Index by 7.1% (six months ended 31 March 2021: outperformed by 19.2%; year ended 30 September 2021: outperformed by 25.7%).

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 contract for difference 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 2022, the US Dollar equivalent share price was 169.19c (31 March 2021: 172.46c; 30 September 2021: 165.18c) and the cum income NAV was 188.65c (31 March 2021: 170.23c; 30 September 2021: 186.33c), therefore the discount was 10.3% (31 March 2021: premium of 1.3%; 30 September 2021: discount of 11.4%) (please see note 9 of the financial statements on page 30 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 measures.

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 2022, 31 March 2021 and 30 September 2021 is set out in the table below.

Gross and net gearing	Page	31 March 2022 US\$'000	31 March 2021 US\$'000	30 September 2021 US\$'000	
Equity investments	19	270,823	235,436	257,806	(a)
Long CFD exposures	19	126,153	105,349	123,405	(b)
Short CFD exposures	19	8,292	10,924	1,495	(c)
Gross geared exposure (d = a + b + c)		405,268	351,709	382,706	(d)
Net geared exposure (e = a + b - c)		388,684	329,861	379,716	(e)
Net assets	23	357,167	322,288	352,778	(f)
Gross gearing % of net assets (g = (d/f x 100)		113.5%	109.1%	108.5%	(g)
Net gearing % of net assets (h = e/f x 100)		108.8%	102.3%	107.6%	(h)

Gross and net 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 2022, 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.

NAV and share price return (with dividends reinvested)*

Performance statistics enable the investor to make performance comparisons between investment trusts with different dividend policies. The performance measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. This is calculated by the movement in the share price or NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV/share price (please see note 9 of the financial statements for the audited inputs to the calculations). Details of the calculation are set out in the tables that follow and are cross referenced in the tables to the pages where the inputs to the calculation can be located.

* Alternative performance measures.

NAV total return – US Dollar	Page	Six months ended 31 March 2022 (unaudited)	Six months ended 31 March 2021 (unaudited)	Year ended 30 September 2021 (audited)
Closing NAV per share (cents)	30	188.65	170.23	186.33
Add back interim and final dividends (cents)	22	4.25	4.25	7.00
Effect of dividend reinvestment (cents)		0.06	0.17	0.75
Adjusted closing NAV (cents)		192.96	174.65	194.08 (a)
Opening NAV per share (cents)	30	186.33	126.85	126.85 (b)
NAV total return (c = ((a - b)/b)) (%)		3.6	37.7	53.0 (c)

NAV total return – British Pound Sterling	Page	Six months ended 31 March 2022 (unaudited)	Six months ended 31 March 2021 (unaudited)	Year ended 30 September 2021 (audited)
Closing NAV per share (pence) ¹	30	143.29	123.38	138.19
Add back interim and final dividends (pence)	22	3.17	3.11	5.05
Effect of dividend reinvestment (pence)		0.13	0.09	0.70
Adjusted closing NAV (pence)		146.59	126.58	143.94 (a)
Opening NAV per share (pence) ¹	30	138.19	98.12	98.12 (b)
NAV total return (c = ((a - b)/b)) (%)		6.1	29.0	46.7 (c)

Share price total return – US Dollar	Page	Six months ended 31 March 2022 (unaudited)	Six months ended 31 March 2021 (unaudited)	Year ended 30 September 2021 (audited)
Closing share price (cents) ¹	30	169.19	172.46	165.18
Add back interim and final dividends (cents)	22	4.25	4.25	7.00
Effect of dividend reinvestment (cents)		(0.11)	0.28	0.01
Adjusted closing share price (cents)		173.33	176.99	172.19 (a)
Opening share price (cents) ¹	30	165.18	120.62	120.62 (b)
Share price total return (c = ((a - b)/b)) (%)		4.9	46.7	42.8 (c)

Share price total return – British Pound Sterling	Page	Six months ended 31 March 2022 (unaudited)	Six months ended 31 March 2021 (unaudited)	Year ended 30 September 2021 (audited)
Closing share price (pence)	30	128.50	125.00	122.50
Add back interim and final dividends (pence)	22	3.17	3.11	5.05
Effect of dividend reinvestment (pence)		(0.00)	0.17	0.15
Adjusted closing share price (pence)		131.67	128.28	127.70 (a)
Opening share price (pence)	30	122.50	93.30	93.30 (b)
Share price total return (c = ((a - b)/b)) (%)		7.5	37.5	36.9 (c)

¹ Based on an exchange rate of \$1.3166 to £1 at 31 March 2022 (31 March 2021: \$1.3797 to £1; 30 September 2021: \$1.3484 to £1).

* Alternative performance measures.

Glossary

continued

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 2022, equity shareholders' funds were worth US\$357,167,000 (31 March 2021: US\$322,288,000; 30 September 2021: US\$352,778,000) and there were 189,325,748 (31 March 2021 and 30 September 2021: 189,325,748) ordinary shares in issue (excluding treasury shares); the undiluted cum income NAV was therefore 188.65 cents (31 March 2021: 170.23 cents; 30 September 2021: 186.33 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 also the measure adopted by the Association of Investment Companies for preparation of statistical data. 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 2022, equity shareholders' funds less the current year net revenue return amounted to US\$352,792,000 (31 March 2021: US\$317,662,000; 30 September 2021: US\$343,081,000) and there were 189,325,748 (31 March 2021 and 30 September 2021: 189,325,748) ordinary shares in issue (excluding treasury shares); therefore the capital only NAV was 186.34 cents (31 March 2021: 167.79 cents; 30 September 2021: 181.21 cents).

Equity shareholders' funds (excluding current period revenue) of US\$352,792,000 are calculated by deducting from the Company's net assets (US\$357,167,000) its current period revenue, (US\$4,375,000).

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.

* Alternative performance measures.

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 and certain non-recurring items) expressed as a percentage of the average daily net assets of the Company during the year.

The inputs that have been used to calculate the ongoing charges percentage are set out in the following table.

Ongoing charges calculation	Page	Year ended 30 September 2021 US\$'000 (audited)	Year ended 30 September 2020 US\$'000 (audited)	
Management fee	27	3,884	3,738	
Other operating expenses	28	891	865	
Total management fee and other operating expenses		4,775	4,603	(a)
Performance fee	27	3,815	–	
Total management and performance fees and other operating expenses (c = a + b)		8,590	4,603	(b)
Average daily net assets in the year		351,590	339,701	(b)
Ongoing charges in the year excluding performance fees (e = a/d)		1.36%	1.36%	(d)
Ongoing charges in the year including performance fees (f = c/d)		2.44%	1.36%	(e)

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.

Yield*

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 performance (with dividends reinvested).

Yield	Page	31 March 2022 (unaudited)	31 March 2021 (unaudited)	30 September 2021 (audited)	
Interim and final dividends paid/payable (cents) ¹	22	7.00	7.00	7.00	(a)
Ordinary share price (cents)	30	169.19	172.46	165.18	(b)
Yield (c = a/b) (%)		4.1%	4.1%	4.2%	(c)

¹ Comprising dividends declared/paid for the twelve months to 31 March 2022, 31 March 2021 and 30 September 2021.

* Alternative performance measures.

Share fraud warning

Be ScamSmart



Investment scams are designed to look like genuine investments



Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at www.fca.org.uk/consumers. You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at www.fca.org.uk/scamsmart

Remember: if it sounds too good to be true, it probably is!

SGN001

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