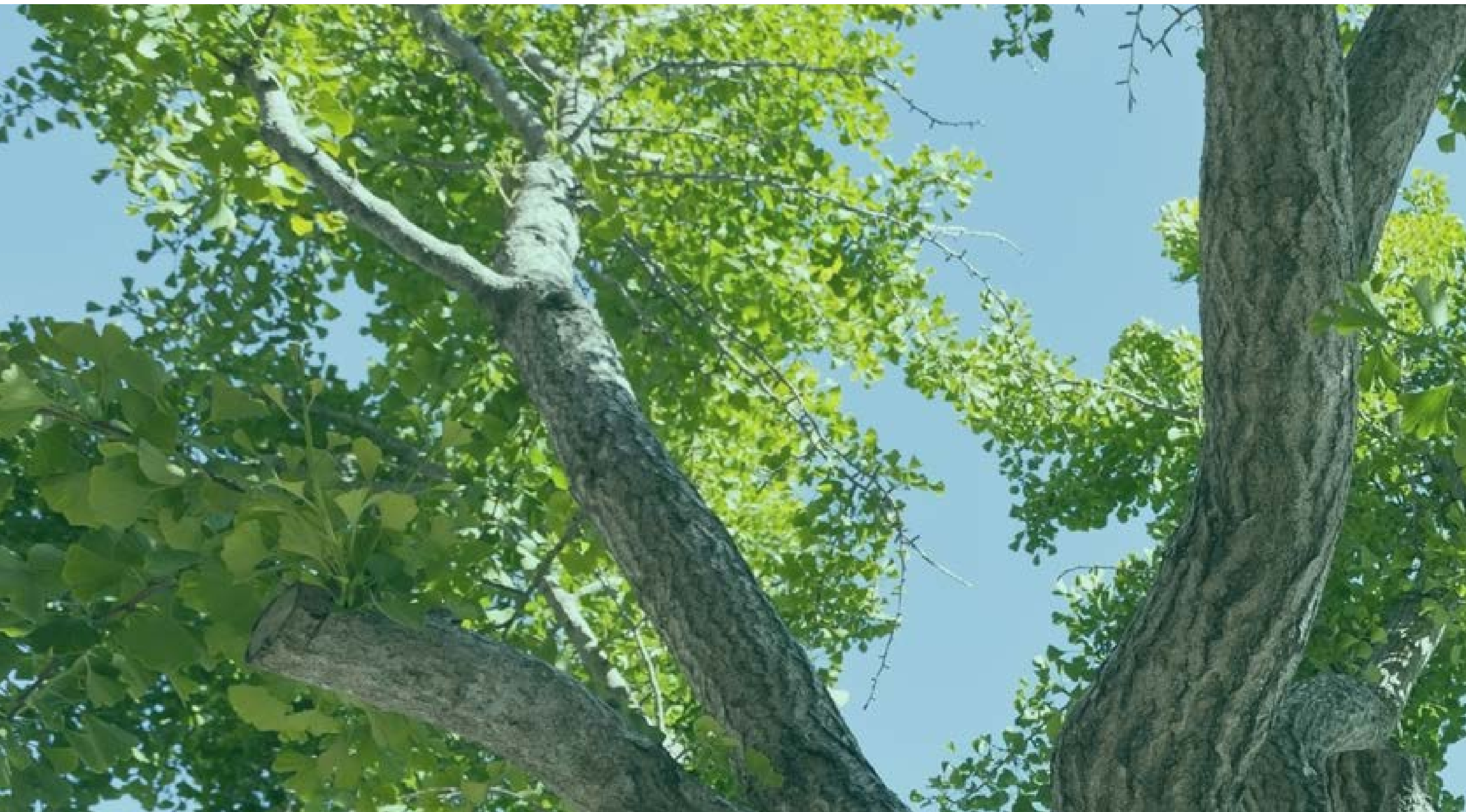
GENESIS

EMERGING MARKETS FUND LIMITED



2017

Half Year Report and Unaudited Financial Statements

for the six months ended 31st December 2017

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All references to 'dollars', '$' or 'cents' throughout this report are to the United States currency.

Introduction

Objective

The objective of the Genesis Emerging Markets Fund (the 'Fund' or 'GEMF') is to achieve long-term capital growth, primarily through investment in equity markets of developing countries.

Structure

GEMF is a Guernsey based Authorised Closed-Ended Investment Scheme with the ability to issue additional shares. The Fund's shares are listed on the premium segment of the Official List of the UK Listing Authority, traded on the London Stock Exchange and are included in the FTSE 250. The number of Participating Preference Shares outstanding is 134,963,060, as at 31st December 2017 (30th June 2017: 134,963,060).

Manager

Genesis Asset Managers, LLP (the 'Manager' or 'Genesis').

Investment Approach

The investment approach is to identify companies which are able to take advantage of growth opportunities in emerging markets and invest in them when they are trading at an attractive discount to the Manager's assessment of their intrinsic value.

New Shares

Shares may be issued twice monthly subject to the following conditions:

i) the Fund is invested as to at least 75% in emerging market securities;

ii) the Fund will only issue new shares if it is unable, on behalf of the new subscriber, to acquire shares in the secondary market at a price equivalent to or below the price at which new shares would be issued; and

iii) the issued share capital of the Fund is not increased by more than 10% in any twelve month period.

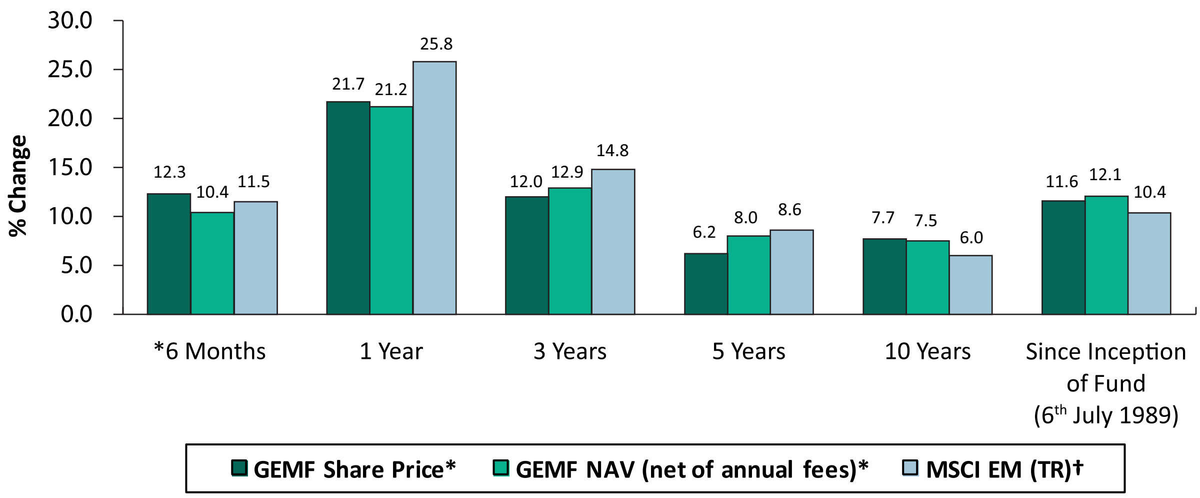
Highlights and Performance

GEMF Total Return in GBP for the Six Months to 31st December 2017

12.3%	10.4%	11.5%
Share Price*	Net asset value per Participating Preference Share*	MSCI EM (TR) Index†

Published Data	31st December 2017	30th June 2017	% change
Net assets	£1,102.0m	£1,011.6m	8.9
Net assets	$1,490.8m	$1,314.2m	13.4
Net asset value per Participating Preference Share	£8.16	£7.50	8.9
Net asset value per Participating Preference Share	$11.05	$9.74	13.4
Share price	£7.22	£6.53	10.7
Discount of Share Price to Net Asset Value per Participating Preference Share	11.6%	12.9%	
Dividend per Participating Preference Share	$0.140	nil	n/a
Management fee	0.95%	1.25%	
Ongoing charges ratio	1.11%	1.43%	
Countries represented in portfolio	40	36	
Number of holdings	134	125	

Annualised Returns in GBP to 31st December 2017



** Actual returns adjusted for dividends paid*
† MSCI Emerging Markets (Total Return) Index

Past performance is no guarantee of future performance

Chairman's Statement

Investors in emerging markets have been handsomely rewarded in the last two years. The MSCI EM (TR) Index (the 'Index') rose 37.8% in US$ terms in 2017, and – with the previous year having also been relatively strong – the Index has generated some 77.1% in US$ terms since the beginning of 2016. In the six month period to December (under review in this report), the Index in sterling terms was up 11.5% (and rose 25.8% over 2017 as a whole).

Against this backdrop, the Fund's share price (adjusted for dividends paid) increased by 12.3% over the half-year, the discount of share price to NAV narrowed slightly to 11.6% and the Fund's NAV (also adjusted for dividends paid) rose by 10.4%.

Shareholders will be aware that the Managers' investment process has a firm grounding in valuation, meaning that investments the Manager views as expensive will generally not be held at particularly high weights, if at all. This explains the fact that the Fund's performance has lagged that of the Index over the recent past given an investment environment where the market has been largely driven upwards by a narrow set of highly popular stocks and sectors – this time in the form of large technology companies, both in global hardware and Chinese internet, in which the Fund's holding is lower than that in the Index.

The Fund held its Annual General Meeting on 6th November with all proposed resolutions passed by shareholders (including the approval of the appointment of Katherine Tsang as a Director, and the payment of a dividend); as always, we would like to thank them for their support. The Fund held its regular Shareholder Information Meeting on the following day, allowing shareholders an opportunity to hear from, and ask questions of, representatives of the Manager.

The dividend of 14.0 cents per Participating Preference Share was paid to shareholders in early December.

The positive mood surrounding global equity markets, including those in the developing world, continues to persist. The Manager's Review notes, in particular, the higher GDP growth and recovery in corporate earnings, and the expectations for corporate profitability. Against that, of course, the potential macro-economic risk to all emerging markets stemming from the imbalances in the financial system in China (now one-third of the market cap of the index), or potentially higher interest rates in the US, remains a significant concern. After the performance of the last two years valuations of many companies can fairly be described as stretched – and one does not have to look too far into history (2015 was not a long time ago) to be reminded of the potential short-term volatility in emerging markets.

Looking forward, while it seems unlikely in the near-term that emerging markets will continue to emulate the performance of the last two years, we – along with the Manager – remain highly confident about the potential long-term returns that the Fund can generate.

The Board and the Manager would readily acknowledge that the Fund's performance relative to the Index over the last three and five years has not been at the level that shareholders have typically experienced. But one aspect of the Manager's culture is its commitment to understanding where things have not worked as well as they should have, and the implementation of evolutionary improvements to the investment process in response, as occurred in the past two years. This helps support our continued belief that the Manager's investment approach provides an effective framework for seeking out high-quality emerging markets companies that appear to be mispriced; and thus for allocating shareholders' capital profitably.

My colleagues and I look forward to continuing our engagement with shareholders, in order to hear and understand your views on the Fund and how it operates. These comments, naturally, inform our discussions about how we can better address your concerns, and ultimately ensure the Fund meets your expectations and requirements as investors.

Hélène Ploix
Chairman
14th February 2018

Manager's Review

Investment Environment

In 2017 the Fund gained 21.2% in sterling terms net of fees. A strong year indeed, but disappointingly our performance lagged that of the MSCI EM (TR) Index (the 'Index'), which returned 25.8%. The current rally in emerging markets ('EM') stocks dates to January 2016 and the cumulative Index return since then has been 85%, whereas our performance has been lower at 75%. As risk-aware investors who build diversified portfolios of quality companies for long-term clients, we have at times over our 28-year history struggled to keep pace with sharp market rallies. This has been the case now for almost two years.

The second half of 2017 – the focus of this Review – saw a continuation of the narrowly-focused rally in mega-cap tech, namely Tencent (and Naspers), Alibaba and Samsung Electronics. Performance outside this magic circle was noticeably different; the median stock within the Index was up only 5% over the same period, lagging the overall Index performance by 7%.

In this environment, the Fund's net asset value failed to match the return of the Index over the six-month period, gaining 10.4% versus an Index return of 11.5%.

Performance

Relative to the benchmark, the portfolio enjoyed strong performance from consumer stocks including instant noodle producer Tingyi (up 59%) and from the A-share positions in *baijiu* producers Kweichow Moutai (up 50%) and Jiangsu Yanghe Brewery (up 32%). Significant value was also added in the weak Taiwanese market due to the underweight position and from good stock performance from the dominant Vietnamese dairy producer Vinamilk, which rose by 30%.

These were outweighed, however, by the portfolio's negative contributors. The largest country detractor was India, due to the Fund's exposure to pharmaceutical companies. Sun (up 1%) and Lupin (down 25%), were impacted by a combination of delayed approvals by the US FDA of new generic drugs due to continuing manufacturing compliance issues, and increased pricing pressure in the key US market. Value was also lost in Turkey particularly from the two banks, Garanti (down 2%) and Yapi Kredi (down 14%), as the impact of the government announcing an increase in the corporate tax rate on banks and currency weakness was felt. In Russia, the weak performance from food retailer Magnit (down 31%) led to further losses. Magnit had announced disappointing quarterly results as a combination of a weak consumer environment and heightened competitive intensity impacting sales. However, we have conviction in Magnit's management quality and see a favourable outlook for market consolidation in food retail.

Other significant detractors were the strongly performing Chinese internet companies despite notable gains from the portfolio positions in Naspers (which derives the majority of its value from its holding in the Chinese internet company Tencent) and Alibaba as they rose 38% and 18% respectively. However, the portfolio's smaller weighting compared to the Index in this sector resulted in these positions costing the portfolio in terms of relative performance.

Relative Performance Attribution in GBP – Six Months to 31st December 2017

GEMF vs. MSCI Emerging Markets (TR) Index

Top 10 Stock Contributors	%
Kweichow Moutai (China)	0.52
Sberbank (Russia)	0.41
Tingyi (China)	0.36
Jiangsu Yanghe Brewery (China)	0.35
Hon Hai Precision (Taiwan)	*0.35*
Steinhoff International (South Africa)	*0.34*
Vinamilk (Vietnam)	0.34
Anglo American (South Africa)	0.28
China Mengniu Dairy (China)	0.26
Tullow Oil (United Kingdom)	0.19

Top 10 Stock Detractors	%
Tencent (China)/ Naspers (South Africa)	(0.77)
Magnit (Russia)	(0.53)
LiLAC (United Kingdom)	(0.32)
Ping An Insurance (China)	*(0.31)*
Samsung Fire & Marine (South Korea)	(0.28)
Hikma Pharmaceuticals (Jordan)	(0.24)
Lupin (India)	*(0.23)*
Universal Robina (Philippines)	(0.22)
Jerónimo Martins (Poland)	(0.18)
Heineken (Netherlands)	(0.18)

Stocks in italics are omissions at end of period

Sector Contributions	%
Consumer Discretionary	1.10
Industrials	0.75
Consumer Staples	0.54
Utilities	0.20
Real Estate	0.05
Telecoms	(0.03)
Materials	(0.04)
Investment Companies	(0.24)
Energy	(0.47)
Financials	(0.59)
IT	(0.73)
Health Care	(0.93)

Top 5 Country Contributors	%
Taiwan	1.17
South Africa	0.53
Vietnam	0.32
Mexico	0.31
Indonesia	0.20

Top 5 Country Detractors	%
India	(0.67)
Turkey	(0.51)
Russia	(0.51)
Jordan	(0.24)
Philippines	(0.20)

Source: Calculated by FactSet, treating Genesis' affiliated investment company on a look-through basis

Portfolio Activity

There was significant trading activity over the six-month period, with 19 positions initiated. In addition, there were considerable changes to the weights of certain holdings, mainly in response to strong performance or due to a change in our assessment of intrinsic value. On an annualised basis, portfolio turnover amounted to 34%, slightly higher than the long-term average.

A large portion of activity over the period was in the IT sector, including further investment in Tencent via Naspers, which made it the largest position in the portfolio, and the new addition in 58.com. Elsewhere Magnit (Russia) and Mediclinic (South Africa) were added to on price weakness and Almarai (Saudi Arabia) was repurchased for the Fund. Recently initiated positions, such as Yum China and BB Seguridade, were also built upon.

Purchases were largely funded through sales in Kweichow Moutai and Jiangsu Yanghe Brewery following strong share price performance, the sale of Anhui Conch Cement, and reductions in a number of South African names. Anglo American was sold as its share price hit a three-year high, Bid Corp and Bidvest Group were reduced and Aspen Pharmacare was trimmed as we consider its transition from a South African generics company into a global speciality pharmaceutical company is now more challenging than initially expected. In India, Tata Consultancy Services and Infosys were reduced, based on their respective valuations. Elsewhere in India, the aggregate pharmaceutical exposure was reduced considerably; Sun saw its position cut by approximately a quarter and Lupin exited the portfolio. This was considered prudent considering the lack of clarity on FDA clearance and margin erosion.

Outlook

We are optimistic about the performance prospects for your portfolio in 2018 and beyond. This confidence stems from several considerations. First, we are long-term bullish on the investment opportunity in EM. We expect incomes in low- and middle-income economies to continue to converge with those in high-income economies. Improving institutional quality should further enhance returns. And we are convinced that emerging market equities are less price efficient compared with those in developed markets.

Second, we are confident in the current positioning of your portfolio. Broadly speaking, the portfolio is overweight in consumer franchises, expressing our view on income convergence; overweight smaller companies and frontier markets where we see the most mis-pricing; underweight technology where we are cautious on valuations; and underweight state-owned enterprises, given our scepticism on governance. This positioning is consistent with our long-term preference for investing alongside good management teams in quality businesses at attractive prices.

While we are positive about emerging markets and the portfolio's positioning, macro-economic risks in China and elsewhere deserve consideration, as do the now less-forgiving valuations. As we have discussed on previous occasions, China's financial imbalances continue to loom menacingly. According to EM Advisors, outstanding credit to GDP is about 260% and the system credit/deposit ratio is about 120%. These numbers are high. Furthermore, bottom-up measures of growth in China are slowing and, we believe, are now below 5% on an annualised basis. Any renewed debt stimulus to boost this number would add to our concerns.

Genesis Asset Managers, LLP
February 2018

Directors' Report

Capital Values

At 31st December 2017, the value of Equity Shareholders' Funds was $1,490,818,000 (30th June 2017: $1,314,184,000) and the Equity per Participating Preference Share was $11.05 (30th June 2017: $9.74), or in sterling terms, £8.16 (30th June 2017: £7.50).

Principal Risks and Uncertainties

The main risks to the value of its assets arising from the Fund's investment in financial instruments (principally equity securities) are unanticipated adverse changes in market prices and foreign currency exchange rates and an absence of liquidity. The Board reviews and agrees with the Manager policies for managing each of these risks and they are summarised below. These policies have remained unchanged since the beginning of the period to which these financial statements relate.

Volatility of emerging markets and market risk

The economies, the currencies and the financial markets of a number of developing countries in which the Fund invests can be extremely volatile. To manage the risks posed by adverse price fluctuations the Fund's investments are geographically diversified, and will continue to be so. The Fund will not normally invest more than 25% of its assets (at the time the investment is made) in any one country. While the exposure to any one company or group (other than an investment company, unit trust or mutual fund) is formally limited to 10% of the Fund's net assets, this exposure is unlikely to exceed 5% at the time the investment is made.

Foreign currency exposure

The Fund's assets will be invested in securities of companies in various countries and income will be received by the Fund in a variety of currencies. However, the Fund will compute its net asset value in US dollars. The value of the assets of the Fund as measured in US dollars may be affected favorably or unfavorably by fluctuations in currency rates and exchange control regulations. Further, the Fund may incur costs in connection with conversions between various currencies.

Lack of liquidity

Trading volumes on the stock exchanges of developing countries can be substantially less than in the leading stock markets of the developed world. This lower level of liquidity exaggerates the fluctuations in the value of investments described previously. The restrictions on concentration and the diversification requirements detailed above also serve normally to protect the overall value of the Fund from the risks created by the lower level of liquidity in the markets in which the Fund operates.

Custody risk

The Fund's key operational risk is custody risk. Custody risk is the risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian. Although an appropriate legal framework is in place that eliminates the risk of loss of value of the securities held by the custodian, in the event of its failure, the ability of the Fund to transfer the securities might be temporarily impaired. The day to day management of these risks is carried out by the Manager under policies approved by the Board.

Manager

In the opinion of the Directors, in order to achieve the investment objective of the Fund, and having taken into consideration the performance of the Fund, the continuing appointment of the Manager is in the interests of the shareholders as a whole.

A more detailed commentary of important events that have occurred during the period and their impact on these financial statements and a description of the principal risks and uncertainties for the remaining six months of the financial year are contained in the Manager's Review.

Directors

The following directors served throughout the period under review (except where noted otherwise): Hélène Ploix, Sujit Banerji, Russell Edey, Saffet Karpat, Dr John Llewellyn and Katherine Tsang. Katherine Tsang was appointed a Director from 19th July 2017.

As at 31st December 2017, Participating Preference Shares were held by Sujit Banerji (10,000), Saffet Karpat (20,000) and Hélène Ploix (15,000).

Related Party Transactions

During the reporting period, there were no transactions with related parties which materially affected the financial position or performance of the Fund. However, details of related party transactions are contained in the Annual Financial Report for the year ended 30th June 2017 which should be read in conjunction with this Half Year Report.

Going Concern

The Directors believe that the Fund has adequate resources to continue in operational existence for twelve months from the approval date of the Half Year Report. This is based on various factors including the Fund's forecast expenditure, its ability to meet its current liabilities, the highly liquid nature of its assets, its market price volatility and its closed-ended legal structure. For these reasons, the Directors continue to adopt the going concern basis in preparing these Financial Statements.

Statement of Directors' Responsibilities

In accordance with Chapter 4 of the Disclosure and Transparency Rules the Directors confirm that to the best of their knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' and gives a true and fair view of the assets, liabilities, financial position and return of the Fund;
- the Half Year Report includes a fair review of important events that have occurred during the first six months of the financial year, their impact on the condensed financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- the Half Year Report includes a fair review of the information concerning related party transactions.

Approved by the Board

Hélène Ploix
Director

Russell Edey
Director
14th February 2018

Twenty Largest Holdings

as at 31st December 2017

Naspers (South Africa)	**5.19%**

Consumer Discretionary

Naspers is a South African internet and entertainment group, with the majority of its value derived from the company's investment in Tencent, the leading Chinese internet service provider.

Samsung Electronics (South Korea)	**4.47%**

Information Technology

Samsung Electronics is a global leader in the IT hardware industry, producing handsets, semiconductors (mostly memory), LCD panels and a wide range of consumer electronics and digital appliances.

Taiwan Semiconductor Manufacturing Company (Taiwan)	**3.44%**

Information Technology

Taiwan Semiconductor Manufacturing Company is the world's largest dedicated semiconductor foundry, manufacturing integrated circuits for computer, communications, and consumer electronics applications.

AIA Group (China)	**2.65%**

Financials

AIA Group offers insurance and financial services. The company writes life insurance for individuals and businesses, while offering accident and health insurance, retirement planning and wealth management services.

Alibaba Group (China)	**2.44%**

Information Technology

Alibaba is the world's largest e-commerce company by gross merchandise volume, also operating a financials services business (including the largest online payments mechanism in China) and a cloud computing business.

Heineken (Netherlands)	**2.43%**

Consumer Staples

Heineken is a leading international brewer with emerging markets accounting for approximately 70% of earnings. It has significant market positions in Central & Eastern Europe, Mexico, Africa and Asia.

Samsung Fire & Marine Insurance (South Korea)	**2.15%**

Financials

Samsung Fire & Marine Insurance is a multinational insurance company based in South Korea, with automobile insurance prominent amongst its products.

Sberbank (Russia)	**2.12%**

Financials

Sberbank is the largest bank in Russia, accounting for one third of the country's banking system.

Vietnam Dairy Products (Vietnam)	2.05%

Consumer Staples

Vinamilk is the dominant dairy company in Vietnam with a 40% market share.

Magnit (Russia)	1.67%

Consumer Staples

Magnit is Russia's leading retailer, mostly food, with more than 11,000 convenience stores responsible for 75% of revenues.

Shinhan Financial (South Korea)	1.63%

Financials

Shinhan Financial Group is a holding company that offers a full range of financial services to retail and corporate customers in South Korea through its subsidiaries, which include one of the largest banks in the country.

Central Pattana (Thailand)	1.59%

Real Estate

Cental Pattana is Thailand's largest developer and operator of shopping malls, accounting for almost a quarter of Bangkok's retail market.

Kotak Mahindra Bank (India)	1.59%

Financials

Kotak Mahindra Bank is one of the leading integrated financial services groups in India, with interests in retail banking, asset management, life insurance and investment banking.

Axis Bank (India)	1.58%

Financials

Axis Bank operates more than 3,000 domestic branches and is the third largest private sector bank with 4% market share.

Itau Unibanco (Brazil)	1.52%

Financials

Itau Unibanco is a full service Brazilian bank which is the largest bank in Latin America by assets and market capitalisation.

Türkiye Garanti Bankası (Turkey)	1.45%

Financials

Türkiye Garanti Bankası is Turkey's second largest private bank, providing a wide range of financial services to its 14 million customers.

Genesis Smaller Companies SICAV (Luxembourg)	1.42%

Investment Company

An open-ended Luxembourg SICAV whose objective is to achieve capital growth over the medium to long term through investment in smaller emerging market companies. It held positions in 4 listed stocks as at 31st December 2017.

Mediclinic (South Africa) 1.40%

Health Care

Mediclinic was founded in 1983 in South Africa and is a leading private hospital operator in South Africa, the United Arab Emirates and Switzerland, focusing on premium end, quality care.

Bank Central Asia (Indonesia) 1.39%

Financials

Bank Central Asia is Indonesia's third largest bank by assets and the largest private bank.

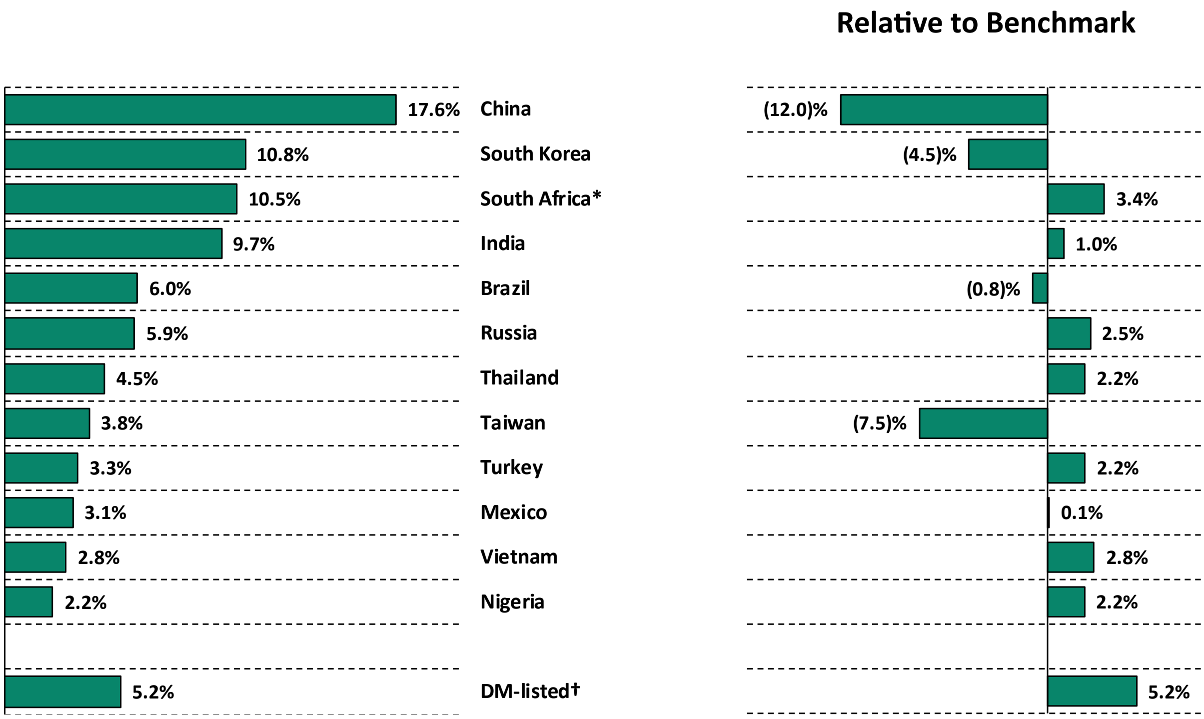
HDFC Bank (India) 1.37%

Financials

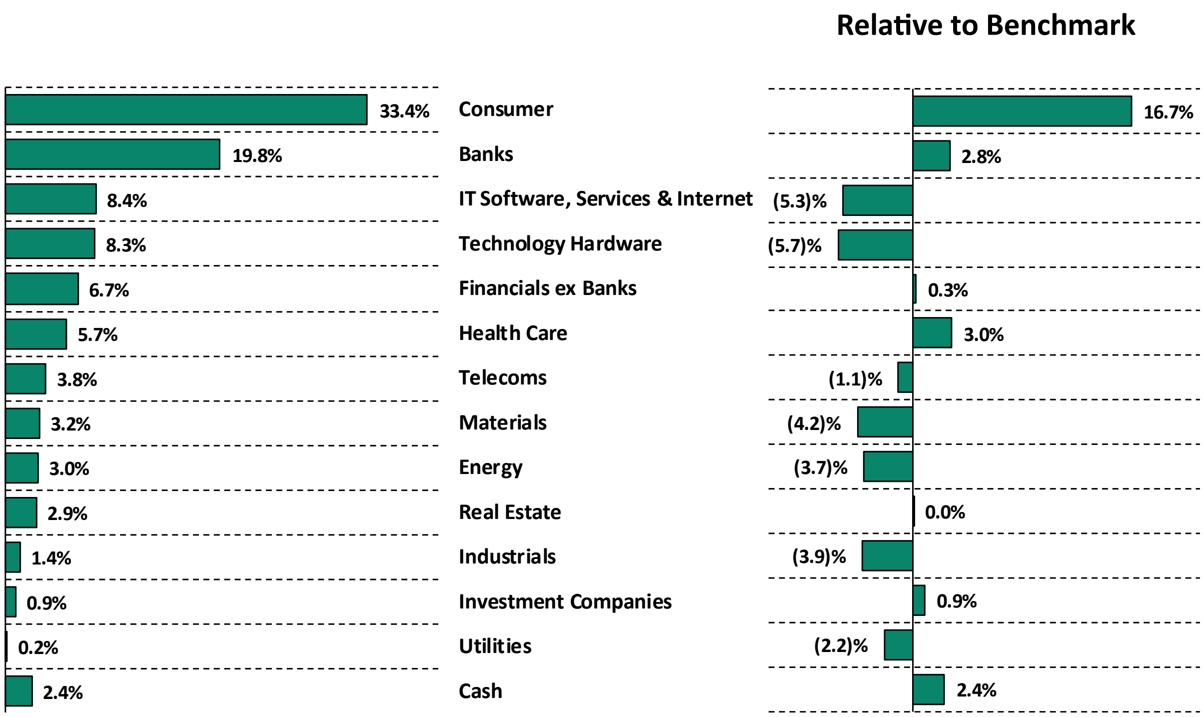
HDFC Bank is India's leading private sector bank, with over 4,500 domestic branches.

Country and Sector Exposure of the Portfolio

(treating Genesis Smaller Companies SICAV on a look-through basis)
as at 31st December 2017



** Includes Naspers (5.2% portfolio weight, 2.9% overweight relative to benchmark)*
† Companies listed on developed market stock exchanges with no distinct individual EM country exposure



Based on GEMF and MSCI EM (TR)

Unaudited Statement of Financial Position

as at 31st December 2017 and 30th June 2017

Note		31st December 2017 $'000	(Audited) 30th June 2017 $'000
	ASSETS		
	Current assets		
3	Financial assets at fair value through profit or loss	**1,445,934**	1,279,759
	Amounts due from brokers	**15,518**	4,636
	Dividends receivable	**2,401**	2,295
	Other receivables and prepayments	**208**	172
	Cash and cash equivalents	**34,671**	35,059
	TOTAL ASSETS	**1,498,732**	1,321,921
	LIABILITIES		
	Current Liabilities		
	Amounts due to brokers	**3,712**	4,644
	Capital gains tax payable	**2,346**	1,038
	Payables and accrued expenses	**1,856**	2,055
	TOTAL LIABILITIES	**7,914**	7,737
	TOTAL NET ASSETS	**1,490,818**	1,314,184
	EQUITY		
	Share premium	**134,349**	134,349
	Capital reserve	**1,317,206**	1,132,448
	Revenue account	**39,263**	47,387
	TOTAL EQUITY	**1,490,818**	1,314,184
	NET ASSET VALUE PER PARTICIPATING PREFERENCE SHARE*	**$11.05**	$9.74

** Calculated on an average number of 134,963,060 Participating Preference Shares outstanding (30th June 2017: 134,963,060).*

The notes on pages 18 to 21 form part of these unaudited financial statements

Unaudited Statement of Comprehensive Income

for the six months ended 31st December 2017 and 31st December 2016

Note		2017 Capital Reserve $'000	2017 Revenue Account $'000	2017 Total $'000	2016 Capital Reserve $'000	2016 Revenue Account $'000	2016 Total $'000
	INCOME						
3	Net change in financial assets at fair value through profit or loss	**192,168**	**–**	**192,168**	15,423	–	15,423
	Net exchange gains/(losses)	**150**	**–**	**150**	(203)	–	(203)
	Dividend income	**–**	**14,460**	**14,460**	–	12,170	12,170
	Securities lending income	**–**	**306**	**306**	–	45	45
	Interest income	**–**	**23**	**23**	–	46	46
		192,318	**14,789**	**207,107**	15,220	12,261	27,481
	EXPENSES						
	Management fees	**(5,354)**	**(1,339)**	**(6,693)**	–	(7,276)	(7,276)
4	Transaction costs	**(898)**	**–**	**(898)**	–	(925)	(925)
	Custodian fees	**–**	**(622)**	**(622)**	–	(551)	(551)
	Directors' fees and expenses	**–**	**(153)**	**(153)**	–	(162)	(162)
	Administration fees	**–**	**(187)**	**(187)**	–	(137)	(137)
	Audit fees	**–**	**(28)**	**(28)**	–	(32)	(32)
	Legal and professional fees	**–**	**(52)**	**(52)**	–	(49)	(49)
	Other expenses	**–**	**(65)**	**(65)**	–	(113)	(113)
	TOTAL OPERATING EXPENSES	**(6,252)**	**(2,446)**	**(8,698)**	–	(9,245)	(9,245)
	OPERATING PROFIT	**186,066**	**12,343**	**198,409**	15,220	3,016	18,236
	Finance Costs	**–**	**(7)**	**(7)**	–	(3)	(3)
	PROFIT BEFORE TAX	**186,066**	**12,336**	**198,402**	15,220	3,013	18,233
	Capital gains tax	**(1,308)**	**–**	**(1,308)**	–	(130)	(130)
	Withholding taxes	**–**	**(1,565)**	**(1,565)**	–	(1,261)	(1,261)
	PROFIT AFTER TAX	**184,758**	**10,771**	**195,529**	15,220	1,622	16,842
	Other Comprehensive Income	**–**	**–**	**–**	–	–	–
	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO PARTICIPATING PREFERENCE SHARE	**184,758**	**10,771**	**195,529**	15,220	1,622	16,842
	EARNINGS PER PARTICIPATING PREFERENCE SHARE*			**$1.45**			$0.12

** Calculated on an average number of 134,963,060 Participating Preference Shares outstanding (31st December 2016: 134,963,060).*

With effect from 1st July 2017, 80% of the Management fees and all the Transaction costs and Capital gains tax have been allocated to the Capital Reserve.

The notes on pages 18 to 21 form part of these unaudited financial statements

Unaudited Statement of Changes in Equity

for the six months ended 31st December 2017 and 31st December 2016

Note		2017			
		Share Premium $'000	Capital Reserve $'000	Revenue Account $'000	Total $'000
	Balance at the beginning of the period	**134,349**	**1,132,448**	**47,387**	**1,314,184**
	Total Comprehensive Income	**–**	**184,758**	**10,771**	**195,529**
5	Dividend paid in the period	**–**	**–**	**(18,895)**	**(18,895)**
	Balance at the end of the period	**134,349**	**1,317,206**	**39,263**	**1,490,818**

Note		2016			
		Share Premium $'000	Capital Reserve $'000	Revenue Account $'000	Total $'000
	Balance at the beginning of the period	134,349	946,972	39,997	1,121,318
	Total Comprehensive Income	–	15,220	1,622	16,842
	Balance at the end of the period	134,349	962,192	41,619	1,138,160

The notes on pages 18 to 21 form part of these unaudited financial statements

Unaudited Statement of Cash Flows

for the six months ended 31st December 2017 and 31st December 2016

	2017 $'000	2016 $'000
OPERATING ACTIVITIES		
Dividends and interest received	**14,377**	13,950
Securities lending income received	**306**	45
Taxation paid	**(1,565)**	(1,261)
Purchase of investments	**(244,918)**	(163,194)
Proceeds from sale of investments	**259,097**	157,289
Interest paid	**(7)**	(3)
Operating expenses paid	**(8,933)**	(9,454)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	**18,357**	(2,628)
FINANCING ACTIVITIES		
Dividends paid	**(18,895)**	–
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	**(18,895)**	–
Effect of exchange gains/(losses) on cash and cash equivalents	**150**	(203)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(388)**	(2,831)
Net cash and cash equivalents at the beginning of the period	**35,059**	20,245
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**34,671**	17,414
Comprising:		
Cash and cash equivalents	**34,671**	17,414

The notes on pages 18 to 21 form part of these unaudited financial statements

Notes to the Unaudited Financial Statements

for the six months ended 31st December 2017

1. General

Genesis Emerging Markets Fund Limited (the "Fund") was incorporated in Guernsey on 7th June 1989 and commenced its activities on 19th September 1989. The Fund is an authorised Closed-Ended Investment Company as defined by the Authorised Closed-Ended Investment Schemes Rules (2008) (and, as such, is subject to ongoing supervision by the Guernsey Financial Services Commission). The Fund is listed on London Stock Exchange and is a constituent of the FTSE 250 Index.

The Fund's registered office is at 1st Floor, Les Echelons Court, Les Echelons, South Esplanade, St. Peter Port, Guernsey, GY1 6JB, Channel Islands.

2. Basis of Preparation

The Interim Financial Information for the six months ended 31st December 2017 has been prepared in accordance with International Accounting Standards 34, 'Interim Financial Reporting'. The Interim Financial Information should be read in conjunction with the Annual Financial Statements for the year ended 30th June 2017, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The unaudited financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

3. Financial Assets Held at Fair Value Through Profit or Loss

(a) Financial Statements

	31st December 2017 $'000	30th June 2017 $'000
Financial assets at fair value through profit or loss:		
Listed equity securities	**1,424,560**	1,230,431
Unlisted equity securities	**21,374**	49,328
Total financial assets at fair value through profit or loss:	**1,445,934**	1,279,759
Net changes in financial assets at fair value through profit or loss:		
Net realised gains	**67,749**	21,364
Net unrealised change in financial assets at fair value through profit or loss	**124,419**	164,322
Net change in financial assets at fair value through profit or loss	**192,168**	185,686

(b) Fair Value Hierarchy

The following table shows financial instruments recorded at fair value, analysed between those whose fair value is based on quoted market prices, those involving valuation techniques where all the model inputs are observable in the market and those where the valuation technique involves the use of unobservable inputs. The following table summarises the valuation of the Fund's securities using the fair value hierarchy:

Level 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3

Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In some instances, the inputs used to measure fair value might fall into different levels of the fair value hierarchy. The level in the fair value hierarchy within which the fair value measurement in its entirety falls shall be determined based on the lowest input level that is significant to the fair value measurement in its entirety.

Investments in Level 2 include both Participatory Notes and listed equity securities held via affiliated investment companies and equity securities discounted by publicly available foreign exchange forward currency rates as a result of short-term currency restrictions.

The underlying investments categorised in Level 3 of the hierarchy are those securities whose price is not available in observable markets, or whose prices were stale (not pricing on an exchange for some time). These investments are reviewed on a monthly basis by the Manager's Valuation Committee and the results reported to the Board on a regular basis. The Manager considers the appropriateness of the valuation inputs, as well as the valuation result using various valuation methods and techniques generally recognised as standard within the industry.

The following table summarises the valuation of the Fund's securities using the fair value hierarchy:

At 31st December 2017	Level 1 $'000	Level 2 $'000	Level 3 $'000
Investment in equity securities	**1,388,925**	**35,976**	**–**
Participatory notes	**–**	**6,955**	**–**
Investee Funds	**–**	**–**	**14,078**
	1,388,925	**42,931**	**14,078**

At 30th June 2017	Level 1 $'000	Level 2 $'000	Level 3 $'000
Investment in equity securities	1,224,476	39,723	–
Investee Funds	–	–	15,560
	1,224,476	39,723	15,560

(c) Level 3 Investments

The valuation techniques used for the Level 3 investments are detailed below:

Valuation basis for Investee Funds	31st December 2017 $'000	30th June 2017 $'000
Administrator's Net Asset Value	**14,078**	15,560
	14,078	15,560

As at 31st December 2017 there were three holdings classified as Level 3 investments. These holdings in Investee Funds were valued using the most recently available valuation statements as received from the respective general partner/manager/administrator, updated to include subsequent cash flows.

As the key input into the valuation of Level 3 investments is official valuation statements from the Investee Fund, we do not consider it appropriate to put forward a sensitivity analysis on the basis that insufficient value is likely to be derived by the end user.

The following table summarises the change in value associated with Level 3 financial instruments carried at fair value for the six months ended 31st December 2017 and the year ended 30th June 2017:

	31st December 2017 $'000	30th June 2017 $'000
Opening balance	**15,560**	24,950
Transfers out of Level 3	**–**	(4,002)
Return of capital	**(452)**	(6,831)
Realised gain	**148**	2,059
Net change in unrealised depreciation	**(1,178)**	(616)
Closing balance	**14,078**	15,560

Unrealised losses as at 31st December 2017 amounting to $5,128,000 (30th June 2017: unrealised gains of $3,950,000) related to Level 3 securities. Gains and losses (realised and unrealised) included in the Statement of Comprehensive Income for the period are reported in 'Net change in financial assets at fair value through profit or loss'.

(d) Transfers Between Levels

There were no transfers between Level 1, 2 or 3 during the period.

(e) Securities Lending

As at 31st December 2017 the Fund loaned securities having a fair value of $75,294,000 (30th June 2017: $23,194,000) which were secured by non-cash collateral, as outlined in the 2017 Annual Financial Report.

4. Transaction costs

During the period, expenses were incurred in acquiring or disposing of investments.

	31st December 2017 $'000	31st December 2016 $'000
Acquiring	**435**	456
Disposing	**463**	469
	898	925

5. Dividend

	31st December 2017 $'000	31st December 2016 $'000
Dividend Paid		
2017 final dividend of 14.0 cents (2016: nil) per Participating Preference Share	**18,895**	–

6. Segment Information

The Directors, after having considered the way in which internal reporting is provided to them, are of the opinion that the Fund continues to be engaged in a single segment of business, being the provision of a diversified portfolio of investments in emerging markets.

All of the Funds' activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Fund operating in one segment.

The financial positions and results from this segment are equivalent to those per the financial statements of the Fund as a whole, as internal reports are prepared on a consistent basis in accordance with the measurement and recognition principles of IFRS.

As at 31st December 2017 and 30th June 2017, the Fund has no assets classified as non-current assets. A full breakdown of the Fund's financial assets at fair value through profit and loss is shown in the Country exposure of the Fund's portfolio on page 13.

The Fund is domiciled in Guernsey. All of the Fund's income from investment is from entities in countries or jurisdictions other than Guernsey.

Administration

Registered Office

1st Floor, Les Echelons Court, Les Echelons, South Esplanade
St. Peter Port, Guernsey, GY1 6JB, Channel Islands

Website

www.genesisemf.com

Manager

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Heritage Hall, Le Marchant Street, St. Peter Port, Guernsey GY1 4HY, Channel Islands
(Registered as an Investment Advisor with the SEC)

Investment Adviser

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(Authorised and regulated by the United Kingdom's Financial Conduct Authority)
www.giml.co.uk

Custodian

JP Morgan Chase Bank
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Administrator and Company Secretary

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St. Peter Port, Guernsey, GY1 6JB, Channel Islands

Registrar and Transfer Agent

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Smith & Williamson Securities
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Independent Auditors

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Glategny Court, Glategny Esplanade, St. Peter Port, Guernsey, GY1 1WR

Legal Advisers

Mourant Ozannes
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