GENESIS
EMERGING MARKETS FUND LIMITED

Half Year Report and Unaudited Financial Statements

for the six months ended 31st December 2018

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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 low- and middle-income 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 121,466,754, as at 31st December 2018 (30th June 2018: 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.

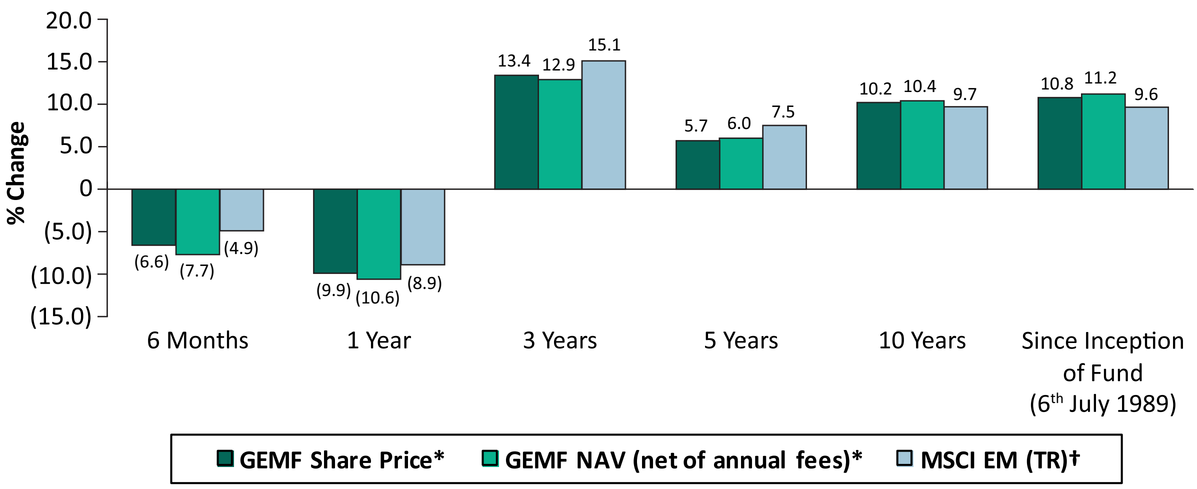
Highlights and Performance

GEMF Total Return in GBP for the Six Months to 31st December 2018

(6.6)%	(7.7)%	(4.9)%
Share Price*	Net asset value per Participating Preference Share*	MSCI EM (TR) Index†

Published Data	31st December 2018	30th June 2018	% change
Net Assets	£868.6m	£1,066.8m	(18.6)
Net Assets	$1,106.3m	$1,408.5m	(21.5)
Net Asset Value per Participating Preference Share	£7.15	£7.90	(9.5)
Net Asset Value per Participating Preference Share	$9.11	$10.44	(12.7)
Share Price^ø	£6.36	£6.97	(8.8)
Discount of Share Price to Net Asset Value per Participating Preference Share	11.0%	11.9%	
Dividend paid per Participating Preference Share	$0.190	nil	
Number of Participating Preference Shares	121,466,754	134,963,060	
Ongoing charges ratio	1.12%	1.10%	
Countries represented in portfolio	34	35	
Number of holdings	118	126	

Annualised Returns in GBP to 31st December 2018



** Actual returns adjusted for dividends paid*
ø The percentage change in share price excludes the impact of dividends paid
† MSCI Emerging Markets (Total Return) Index

Past performance is no guarantee of future performance

Chairman's Statement

Looking back over the five years to the end of 2018, emerging markets have generated an annual return of just 2% in US dollars. As investors will be well aware, however, this headline figure masks huge swings in stockmarket levels - both up and down - over recent years.

Following the strong performance of 2016 and 2017, global equity markets were brought down in 2018 as a result of investor concerns across a range of factors. Slower global growth and rising interest rates were arguably the two most fundamental. But we have also seen an increasingly challenging regulatory environment for the dominant internet businesses, an issue which has particularly affected the formerly high-flying companies in this sector in China. The weak performance of technology companies in emerging markets (combined with a stronger US dollar, disputes over trade, and concerns about economic management in certain countries, Turkey being a prime example) was behind the -14% US dollar return for the MSCI EM Index in 2018. For the second half of 2018 – the period under review in this report – the return was -8%.

The further weakness of sterling against the US dollar – a reflection of the current political situation in the UK – at least meant that UK-based investors were protected from some of this decline: the MSCI EM Index was down only -5% in sterling terms in the last six months.

Against this, the Fund's Net Asset Value per share declined from 790.4p to 715.4p over the half-year, representing a return of -8% (adjusted for dividends paid). (The Fund's share price fell by slightly less, -7%; the narrowing of the Fund's discount to NAV meant it ended 2018 at 11%).

The Fund's underperformance relative to the benchmark during the period largely related to weakness in some of the portfolio's holdings in consumer companies. Details on this and other factors – as well as comments on the current environment and investment outlook for emerging markets – are presented in the Manager's Report that follows this Statement.

The Fund held its Annual General Meeting on 13th November; as ever, we appreciate shareholders' support and thank them for their approval of all proposals presented at the Meeting. The Fund's subsequent Shareholder Information Meeting on 14th November provided shareholders an opportunity to hear from, and ask questions of, representatives of the Manager.

A dividend of 14.76p (19.0 cents) per share was paid to shareholders in early December.

My fellow Directors and I continue to engage with shareholders in order to hear your comments and understand any concerns you may have. I noted in the Annual Report six months ago the range of actions being implemented as part of efforts to reduce the discount to the benefit of shareholders, including the tender offer of 10% of shares that was implemented in the third quarter of 2018. We continue these initiatives to help ensure the Fund meets your expectations and requirements as investors.

Naturally we understand that these expectations include the Fund's NAV outperforming the market over the medium to long term. Both the Board and the Manager acknowledge that performance in recent years has not been at the level that shareholders have historically come to expect, and this remains a key focus of our regular discussions with the Manager.

Fundamentally, we remain confident that the Manager is well-placed to generate outperformance. It has reduced the number of holdings in the portfolio to enable deeper research on each company, and attracted new investment team members with a focus on emerging Asia, the fastest-growing part of the opportunity set. We believe these actions have helped ensure the Manager's continued competitiveness in running an emerging markets strategy.

The portfolio, too, gives reasons for confidence, consisting as it does of a diversified set of quality investments in the consumer sector, in smaller companies and frontier markets, in banks in less developed economies, and in entrepreneurial new economy businesses (primarily in China). As the Manager notes in the Report following, the environment of the last few years which has acted as a headwind to portfolio performance by favouring large-cap stocks is, arguably, unlikely to persist. Additionally, following 2018's market performance, some of the valuations currently available in emerging markets are highly attractive relative to history.

Looking ahead, emerging markets still face challenges. Despite the recent softening in the US Federal Reserve's approach to interest rate rises, the prolonged trade dispute between the US and China is a reminder that emerging markets' development as part of an open and cooperative global economy is not always smooth. More data continues to appear offering evidence for a slowing of the Chinese economy, which given its central, dominant, position in emerging markets is a cause for some concern. Politically, the outcome of the recent election in Mexico has generated uncertainty for investors, while the reaction to Brazil's election may yet turn out to be over-optimistic. Major emerging markets India, Indonesia, Nigeria and Thailand will all hold elections in the next few months, with South Africa following later in the year: some surprises may result.

As a Board, however, we share with the Manager a continued optimism on the long-term investment opportunity in emerging markets. Incomes in low- and middle-income economies should continue to converge with those in high-income economies over time, while institutional quality continues to improve – albeit stutteringly in some cases.

The emerging markets are home to many high-quality companies which volatile markets may cause to be mispriced in the short-term, creating opportunities for active investors. We remain confident that a straightforward approach of applying deep fundamental research to identify long-term investments in quality businesses at attractive prices remains thoroughly relevant.

Hélène Ploix
Chairman
15th February 2019

Manager's Review

In the 2018 calendar year, the Fund declined 10.6% in sterling terms net of fees. The return was slightly worse than that of the MSCI Emerging Markets (EM) Index, which declined 8.9%. Normally we would expect to do relatively better in a year where markets are weak. While our longer-term relative performance net of fees remains positive, we are keenly aware of the need to build continually on that track record.

Performance

Over the second half of 2018, the investments in emerging market consumer franchises, which are about one-third of the Fund, performed poorly. These losses were predominantly the result of multiple de-rating rather than fundamental changes in earnings power. While the approximately one-fifth of the Fund in early-stage emerging market banks performed relatively well, it was an insufficient offset. Furthermore, state-owned enterprises were among the best performing stocks in emerging markets; our long-running strategy has been to avoid these generally poorly-managed businesses.

In this environment, the Fund's NAV underperformed the Index over the six-month period, falling by 7.7% versus an Index return of -4.9%.

By sector, substantial gains were made in IT from a combination of being underweight in both Taiwanese tech hardware and Chinese internet, and from the strong performance by the Brazilian software company Linx. However, these were offset by losses in the consumer sectors, largely due to the Chinese and Russian companies mentioned below, and from being underweight in the strong energy sector where several SOEs not held in the Fund outperformed.

Relative gains were achieved over the period in Taiwan as TSMC (up 7%) outperformed several of the larger Taiwanese tech hardware positions in the Index. Further value was added in China where the portfolio benefited from being underweight in the Chinese internet space, notably Tencent, Baidu and Alibaba, although some of these gains were offset by underperformance from consumer staples holdings including *baijiu* producers Wuliangye Yibin (down 32%), Jiangsu Yanghe Brewery (down 28%) and Tingyi (down 40%). Elsewhere, value was added in Indonesia following strong performance from BCA (up 25%), and in Brazil where a number of positions outperformed including BB Seguridade (up 26%), Itaú (up 39%) and software solutions company Linx which doubled in value as it released a new fintech payment platform and benefited from expensive deals elsewhere in the sector.

Substantial value was lost versus the benchmark from underperforming stocks in Russia. Sberbank (down 20%) was impacted by weak macroeconomic conditions in Turkey due to concerns over the transaction to sell its Turkish subsidiary Deniz, while food retailers Magnit and Lenta fell 23% and 42% respectively in a market where competitive overlap has increased dramatically. Significant value was also lost in South Africa, although this was due to the performance of Mediclinic (down 38%) and Naspers (down 18%), both of which have little exposure to the domestic economy. Naspers was impacted by the fall in Tencent's share price, in which Naspers has a significant stake. Further value was lost in Turkey, impacted by lira depreciation and the accompanying macroeconomic dislocation, as the Fund has a 2% overweight position.

Relative Performance Attribution in GBP – Six Months to 31st December 2018

GEMF vs. MSCI Emerging Markets (TR) Index

Top 10 Stock Contributors	%
Tencent (China)	*0.66*
Baidu (China)	*0.35*
BCA (Indonesia)	0.33
BB Seguridade (Brazil)	0.30
Linx (Brazil)	0.30
Axis Bank (India)	0.30
Central Pattana (Thailand)	0.24
Itaú (Brazil)	0.22
Alibaba (China)	0.21
Semen Indonesia (Indonesia)	0.20

Top 10 Stock Detractors	%
Mediclinic (South Africa)	(0.52)
Wuliangye Yibin (China)	(0.50)
Jiangsu Yanghe Brewery (China)	(0.41)
Naspers (South Africa)	(0.40)
Banco Bradesco (Brazil)	*(0.31)*
58.com (China)	(0.31)
Sberbank (Russia)	(0.27)
Tingyi (China)	(0.27)
Petrobras (Brazil)	*(0.27)*
LiLAC (United Kingdom)	(0.26)

Stocks in italics are not held in the portfolio but are part of the Index at period end

Sector Contributions	%
IT	1.72
Real Estate	0.28
Health Care	0.27
Materials	0.22
Consumer Discretionary	0.06
Utilities	(0.25)
Financials	(0.30)
Industrials	(0.46)
Energy	(0.74)
Communication Services	(0.95)
Consumer Staples	(2.26)

Top 5 Country Contributors	%
Taiwan	0.31
China	0.31
Indonesia	0.29
Brazil	0.23
South Korea	0.22

Top 5 Country Detractors	%
South Africa	(1.06)
Russia	(1.04)
Turkey	(0.33)
Poland	(0.31)
Qatar	(0.26)

Source: Calculated by FactSet

Portfolio Activity

Purchases in China dominated activity during the period with market weakness presenting opportunities as four new stocks were introduced: New Oriental Education, Sina, Weibo and Focus Media. There were also additions to some of the Fund's larger positions: internet companies Alibaba and 58.com and *baijiu* producers Wuliangye Yibin and Jiangsu Yanghe Brewery, while a sharp price correction saw AAC Technologies added to. These purchases were partly funded by the exit of JD.com, sold following indications that they are struggling in the grocery segment, limiting their growth potential. Other sales in China included China South Publishing & Media and Hengan, while price strength prompted sales in China Overseas Land and Investment.

Purchase activity elsewhere saw Yandex and Sberbank (both Russia) and Mediclinic (South Africa) added to following share price weakness, while exposure to Turkish banks was consolidated at the end of September with the sale of Yapı Kredi in favour of its more robust counterpart Garanti, which has a better-provisioned book, higher capital adequacy ratio and higher ROE. Other new holdings included Colgate, the renowned global brand in oral care and personal products which derives more than 50% of revenue from emerging markets; Indocement and Semen Indonesia, as a fall in the Indonesian cement price and a positive change in industry dynamics led to their reintroduction; and there were two new holdings in South Korea as positions in Amorepacific Group and Kangwon Land were initiated.

India and Brazil saw significant sales activity as several holdings were reduced following strong relative share price performance. In Brazil, Itaú and Rumo both saw reductions as the Brazilian market rallied, while GPA and Ultrapar exited the portfolio, the latter due to limited opportunities for growth. In India, there were sizeable sales in banks, Axis and Kotak, IT services company Infosys, and Dabur. Elsewhere, there were notable reductions in the IT hardware giants TSMC and Samsung Electronics (South Korea), with the latter's main cashflow generator, memory chips, approaching the peak of their cycle with margins likely to decline from here. Other positions from the financial sector saw activity as BCA (Indonesia) was reduced on share price strength and South Korean insurer Samsung Fire & Marine was scaled back, while health care provider Bangkok Dusit (Thailand) was also reduced. In a busy period, other positions exiting the Fund included Aspen Pharmacare (South Africa), Tullow Oil and Kosmos Energy (Ghana) along with a number of smaller positions including Andina (Chile) and ADES International (Egypt). At the end of the period there were 118 holdings, with nine new positions introduced and 17 positions sold.

Outlook

Our primary focus is on identifying and investing in high-quality companies, which we characterise as those with a persistent capacity to generate sustainable excess returns, at attractive valuations. We evaluate a wide range of factors that have a material impact on long-term shareholder value, including Environmental, Social and Governance ('ESG') matters. As a bottom-up fundamental investor, our investment approach naturally benefits from the integration of ESG factors at the company level quality assessment.

We think the investment environment in the next five years may be more conducive to our strategy performing compared to the last five. A defining characteristic of the 2014 to 2018 period was the outperformance of larger capitalisation stocks. This is reflected in the 12% cumulative outperformance of the capitalisation-weighted MSCI EM Index versus the equal-weighted index. The fact that the capitalisation-weighted version outperformed by so much and for so long is historically anomalous. There are two reasons why our strategy performs better when small and mid-capitalisation stocks outperform: (1) our strategy includes a structural preference for less efficiently priced smaller capitalisation stocks and frontier markets; and (2) our team manages a well-diversified portfolio in which individual position sizes rarely reach 500bps. Of course, it is possible that large capitalisation stocks continue to outperform, but history does not support this outcome.

Genesis Asset Managers, LLP
February 2019

Directors' Report

Financial Performance

Results and Dividends

The total loss for the six months ended 31st December 2018 amounted to $150,487,000 compared to a profit of $195,529,000 for the six months ended 31st December 2017. Refer to the Manager's Review on pages 6 to 7 for an explanation of the Fund's performance.

A dividend of 19.0 US cents per Participating Preference Share in respect of the 30th June 2018 results (2017: 14.0 US cents) was approved by Shareholders at the AGM and paid on 21st December 2018.

Capital Values

At 31st December 2018, the value of Equity Shareholders' Funds was $1,106,842,000 (30th June 2018: $1,408,466,000) and the Net Asset Value per Participating Preference Share was $9.11 (30th June 2018: $10.44), or in sterling terms, £7.15 (30th June 2018: £7.90).

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 low- and middle-income 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 low- and middle-income countries can be substantially less than in the leading stock markets of the high-income countries. 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 and cyber security

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.

The risk posed by breaches in cyber security is carefully monitored by the Manager, Custodian and Administrator with appropriately designed and tested controls.

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: Hélène Ploix, Sujit Banerji, Russell Edey, Saffet Karpat, Dr John Llewellyn and Katherine Tsang.

As at 31st December 2018, 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 2018 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
15th February 2019

Twenty Largest Holdings

as at 31st December 2018

Naspers (South Africa)	**4.93%**

Communication Services

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.

AIA Group (China)	**3.42%**

Financials

The company writes life insurance for individuals and businesses, accident and health insurance, retirement planning, and wealth management services.

Alibaba Group (China)	**2.81%**

Consumer Discretionary

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

Samsung Electronics (South Korea)	**2.78%**

Information Technology

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)	**2.67%**

Information Technology

The world's largest dedicated semiconductor foundry, manufacturing integrated circuits for computer, communications and consumer electronics applications.

Sberbank (Russia)	**2.64%**

Financials

The largest bank in Russia, accounting for almost 30% of aggregate banking assets.

58.com (China)	**2.17%**

Communication Services

A classified advertisements website serving consumers and local merchants in China. It is the market leader in the property and blue collar jobs sectors and also generates revenue from advertisements for used cars and general services.

Vietnam Dairy Products (Vietnam)	**1.88%**

Consumer Staples

Also known as Vinamilk, it is the dominant dairy company in Vietnam with 40% market share.

Jiangsu Yanghe Brewery (China) **1.77%**

Consumer Staples

A Chinese spirits producer, focusing primarily on the mid-end range of the clear liquor known as baijiu.

Türkiye Garanti Bankası (Turkey) **1.73%**

Financials

Turkey's second largest private bank, providing a wide range of financial services to its 15 million customers.

Heineken (Netherlands) **1.71%**

Consumer Staples

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.

Housing Development Finance Corporation (India) **1.67%**

Financials

One of India's largest mortgage finance companies, it also has a presence in banking, life and general insurance, asset management, venture capital and real estate.

Wuliangye Yibin (China) **1.65%**

Consumer Staples

A leading producer and seller of baijiu, the traditional Chinese fermented spirit. It has products across a range of price levels but its main product is the eponymous Wuliangye, a premium spirit made from five grains which accounts for 70% of revenue.

Central Pattana (Thailand) **1.62%**

Real Estate

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

Shinhan Financial (South Korea) **1.54%**

Financials

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.

Kotak Mahindra Bank (India) **1.53%**

Financials

One of the leading integrated financial services groups in India, with interests in retail banking, asset management, life insurance and investment banking.

HDFC Bank (India) **1.51%**

Financials

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

Naver (South Korea) **1.47%**

Communication Services

Owns the leading search engine in South Korea, which has 75% market share, and the dominant instant messenger in Japan, Taiwan and Thailand.

Mediclinic (South Africa) **1.41%**

Health Care

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

BB Seguridade (Brazil) **1.38%**

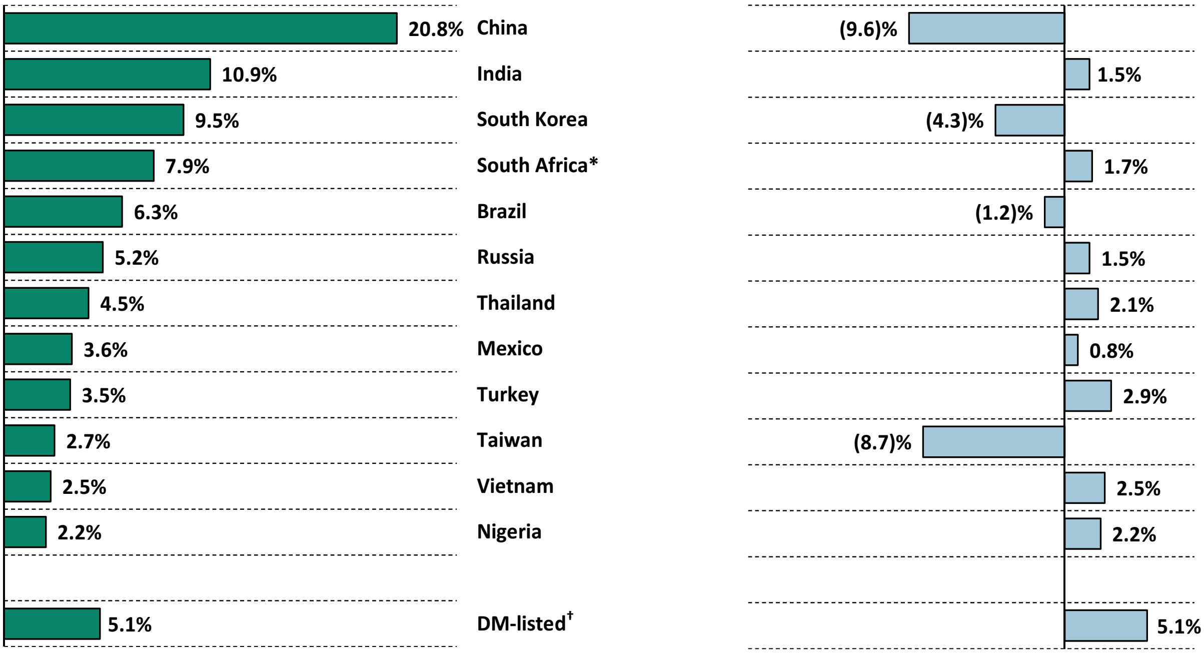
Financials

A leading player in the Brazilian insurance market, benefiting from exclusive access to the distribution network of Banco do Brasil.

Country and Sector Exposure of the Portfolio

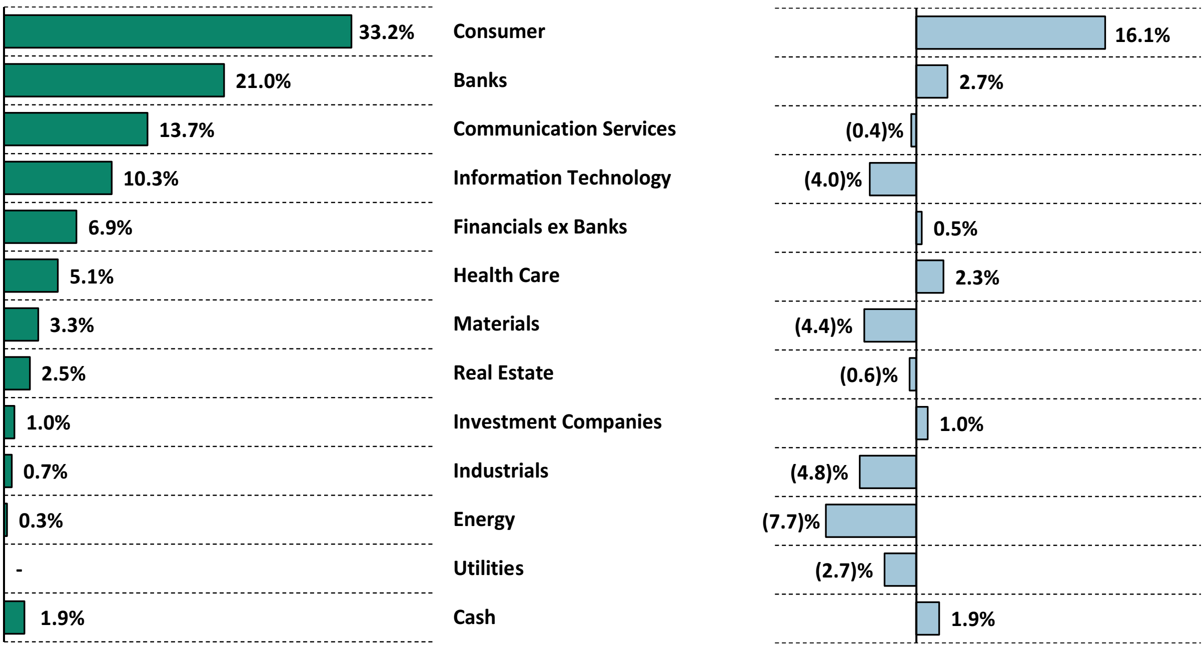
as at 31st December 2018

Relative to Benchmark



** Includes Naspers (4.9% portfolio weight, 3.0% overweight relative to benchmark)*
† Companies listed on developed market stock exchanges with no distinct individual EM country exposure

Relative to Benchmark



Based on GEMF and MSCI EM Index

Unaudited Statement of Financial Position

as at 31st December 2018 and 30th June 2018

Note		31st December 2018 $'000	(Audited) 30th June 2018 $'000
	ASSETS		
	Current Assets		
3	Financial assets at fair value through profit or loss	**1,089,978**	1,383,056
	Amounts due from brokers	**373**	2,375
	Dividends receivable	**2,561**	4,287
	Other receivables and prepayments	**210**	204
	Cash and cash equivalents	**18,175**	25,260
	TOTAL ASSETS	**1,111,297**	1,415,182
	LIABILITIES		
	Current Liabilities		
	Amounts due to brokers	**11**	3,649
	Capital gains tax payable	**2,899**	1,239
	Payables and accrued expenses	**2,121**	1,828
	TOTAL LIABILITIES	**5,031**	6,716
	TOTAL NET ASSETS	**1,106,266**	1,408,466
	EQUITY		
	Share premium†	**6,291**	134,349
	Capital reserve	**1,059,122**	1,217,468
	Revenue account	**40,853**	56,649
	TOTAL EQUITY	**1,106,266**	1,408,466
	NET ASSET VALUE PER PARTICIPATING PREFERENCE SHARE*	**$9.11**	$10.44

** Calculated on a closing number of 121,466,754 Participating Preference Shares outstanding (30th June 2018: 134,963,060).*

† The decrease in Share premium is due to the repurchase and cancellation of the Fund's own shares (see Unaudited Statement of Changes in Equity on page 18).

The notes on pages 20 to 23 form part of these unaudited financial statements

Unaudited Statement of Comprehensive Income

for the six months ended 31st December 2018 and 31st December 2017

Note		2018 Capital Reserve $'000	2018 Revenue Account $'000	2018 Total $'000	2017 Capital Reserve $'000	2017 Revenue Account $'000	2017 Total $'000
	INCOME						
3	Net change in financial assets at fair value through profit or loss	**(151,513)**	**–**	**(151,513)**	192,168	–	192,168
	Net exchange gains	**473**	**–**	**473**	150	–	150
	Dividend income	**–**	**11,109**	**11,109**	–	14,460	14,460
	Securities lending income	**–**	**386**	**386**	–	306	306
	Interest income	**–**	**26**	**26**	–	23	23
		(151,040)	**11,521**	**(139,519)**	192,318	14,789	207,107
	EXPENSES						
	Management fees†	**(4,619)**	**(1,155)**	**(5,774)**	(5,354)	(1,339)	(6,693)
4	Transaction costs†	**(1,018)**	**–**	**(1,018)**	(898)	–	(898)
	Custodian fees	**–**	**(561)**	**(561)**	–	(622)	(622)
	Directors' fees and expenses	**–**	**(153)**	**(153)**	–	(153)	(153)
	Administration fees	**–**	**(144)**	**(144)**	–	(187)	(187)
	Audit fees	**–**	**(24)**	**(24)**	–	(28)	(28)
	Legal and professional fees	**–**	**(713)**	**(713)**	–	(52)	(52)
	Other expenses	**–**	**(110)**	**(110)**	–	(65)	(65)
	TOTAL OPERATING EXPENSES	**(5,637)**	**(2,860)**	**(8,497)**	(6,252)	(2,446)	(8,698)
	OPERATING (LOSS)/PROFIT	**(156,677)**	**8,661**	**(148,016)**	186,066	12,343	198,409
	Finance Costs	**–**	**(8)**	**(8)**	–	(7)	(7)
	(LOSS)/PROFIT BEFORE TAX	**(156,677)**	**8,653**	**(148,024)**	186,066	12,336	198,402
	Capital gains tax†	**(1,669)**	**–**	**(1,669)**	(1,308)	–	(1,308)
	Withholding taxes	**–**	**(1,370)**	**(1,370)**	–	(1,565)	(1,565)
	(LOSS)/PROFIT AFTER TAX	**(158,346)**	**7,283**	**(151,063)**	184,758	10,771	195,529
	Other Comprehensive Income	**–**	**–**	**–**	–	–	–
	TOTAL COMPREHENSIVE (LOSS)/INCOME ATTRIBUTABLE TO PARTICIPATING PREFERENCE SHARE	**(158,346)**	**7,283**	**(151,063)**	184,758	10,771	195,529
	(LOSSES)/EARNINGS PER PARTICIPATING PREFERENCE SHARE*	**$(1.27)**	**$0.06**	**$(1.21)**	$1.37	$0.08	$1.45

** Calculated on an average number of 124,914,180 Participating Preference Shares outstanding (31st December 2017: 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 20 to 23 form part of these unaudited financial statements

Unaudited Statement of Changes in Equity

for the six months ended 31st December 2018 and 31st December 2017

Note		2018 Share Premium $'000	2018 Capital Reserve $'000	2018 Revenue Account $'000	2018 Total $'000
	Balance at the beginning of the period	**134,349**	**1,217,468**	**56,649**	**1,408,466**
	Repurchase and cancellation of the Fund's own shares	**(128,058)**	**–**	**–**	**(128,058)**
	Total Comprehensive (Loss)/Income	**–**	**(158,346)**	**7,283**	**(151,063)**
5	Dividend paid in the period	**–**	**–**	**(23,079)**	**(23,079)**
	Balance at the end of the period	**6,291**	**1,059,122**	**40,853**	**1,106,266**

Note		2017 Share Premium $'000	2017 Capital Reserve $'000	2017 Revenue Account $'000	2017 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

The notes on pages 20 to 23 form part of these unaudited financial statements

Unaudited Statement of Cash Flows

for the six months ended 31st December 2018 and 31st December 2017

	2018 $'000	2017 $'000
OPERATING ACTIVITIES		
Dividend and interest received	**12,861**	14,377
Securities lending income received	**386**	306
Taxation paid	**(1,379)**	(1,565)
Purchase of investments	**(207,579)**	(244,918)
Proceeds from sale of investments	**347,508**	259,097
Interest paid	**(8)**	(7)
Operating expenses paid	**(8,210)**	(8,933)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**143,579**	18,357
FINANCING ACTIVITIES		
Dividends paid	**(23,079)**	(18,895)
Repurchase and cancellation of the Fund's own shares	**(128,058)**	–
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	**(151,137)**	(18,895)
Effect of exchange gains on cash and cash equivalents	**473**	150
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(7,085)**	(388)
Net cash and cash equivalents at the beginning of the period	**25,260**	35,059
NET CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**18,175**	34,671
Comprising:		
Cash and cash equivalents	**18,175**	34,671

The notes on pages 20 to 23 form part of these unaudited financial statements

Notes to the Unaudited Financial Statements

for the six months ended 31st December 2018

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 2018 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 2018, 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 2018 $'000	30th June 2018 $'000
Financial assets at fair value through profit or loss:		
Listed equity securities	**1,078,805**	1,369,572
Unlisted equity securities	**11,173**	13,484
Total financial assets at fair value through profit or loss:	**1,089,978**	1,383,056
Net changes in financial assets at fair value through profit or loss:		
Net realised gains	**23,275**	111,361
Net unrealised change in financial assets at fair value through profit or loss	**(174,788)**	(13,886)
Net change in financial assets at fair value through profit or loss	**(151,513)**	97,475

(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	Level 2	Level 3
Quoted prices (unadjusted) in active markets for identical assets or liabilities.	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).	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.

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 2018	Level 1 $'000	Level 2 $'000	Level 3 $'000
Investment in equity securities	**1,072,887**	**186**	**–**
Participatory notes	**–**	**5,918**	**–**
Investee Funds	**–**	**–**	**10,987**
	1,072,887	**6,104**	**10,987**

At 30th June 2018	Level 1 $'000	Level 2 $'000	Level 3 $'000
Investment in equity securities	1,361,784	194	–
Participatory notes	–	7,789	–
Investee Funds	–	–	13,289
	1,361,784	7,983	13,289

(c) Level 3 Investments

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

Valuation basis for Investee Funds	31st December 2018 $'000	30th June 2018 $'000
Administrator's Net Asset value	**10,987**	13,289
	10,987	13,289

As at 31st December 2018 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 2018 and the year ended 30th June 2018:

	31st December 2018 $'000	30th June 2018 $'000
Opening balance	**13,289**	15,560
Return of capital	**(3,924)**	(452)
Realised (loss)/gain	**(20)**	148
Net change in unrealised depreciation	**1,642**	(1,967)
Closing balance	**10,987**	13,289

Unrealised losses as at 31st December 2018 amounting to $4,425,000 (30th June 2018: unrealised losses of $6,067,000) 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 2018 the Fund loaned securities having a fair value of $27,638,000 (30th June 2018: $69,065,000) which were secured by non-cash collateral, as outlined in the 2018 Annual Financial Report.

4. Transaction costs

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

	31st December 2018 $'000	31st December 2017 $'000
Acquiring	**283**	435
Disposing	**735**	463
	1,018	898

5. Dividend

	31st December 2018 $'000	31st December 2017 $'000
Dividend Paid		
2018 final dividend of 19.0 cents (2017: 14.0 cents) per Participating Preference Share	**23,079**	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 2018 and 30th June 2018, the Fund has no assets classified as non-current assets. A 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 15.

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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(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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Independent Auditors

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Legal Advisers

Mourant Ozannes
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