Fidelity INTERNATIONAL

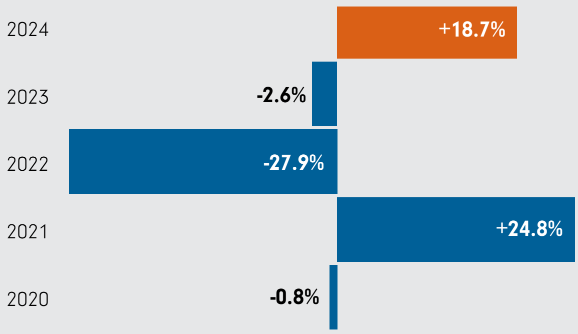
FIDELITY EMERGING MARKETS LIMITED

Annual Report for the year ended 30 June 2024

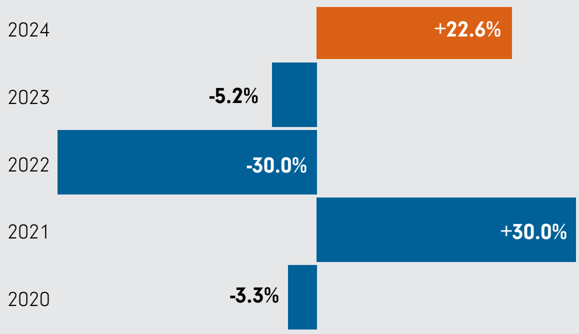
The Year at a Glance

In the reporting year, the Company's Net Asset Value per Participating Preference Share increased by 18.7% and the Share Price increased by 22.6%, whilst the Benchmark Index return increased by 13.2% (all performance data on a total return basis).

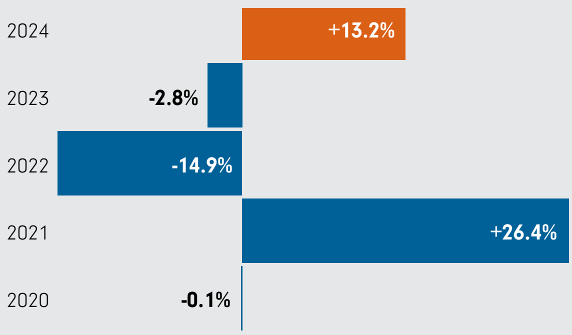
Net Asset Value per Participating Preference Share total return[1,2]
Year ended 30 June



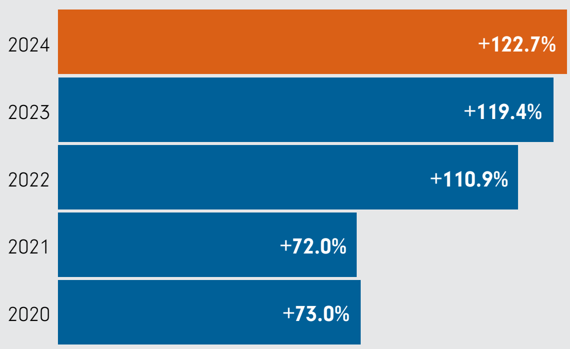
Share Price total return[1,2]
Year ended 30 June



MSCI Emerging Markets Index[1,3]
Year ended 30 June



Active Share[2]
Year ended 30 June



Source: JPMorgan and Datastream.
1 Includes reinvested income.
2 Alternative Performance Measure – refer to Glossary of Terms on pages 86 to 88.
3 The Company's Benchmark Index.

As at 30 June 2024

Equity Shareholders' Funds

£596.0m

Market Capitalisation

£524.8m

Capital Structure
Number of Participating Preference Shares in issue excluding held in Treasury

74,646,287

Summary of the key aspects of the Investment Policy

The Company aims to achieve long term growth by primarily investing in securities and financial instruments providing exposure to emerging markets companies.

The Investment Manager invests at least 80% in companies with head offices, listings, assets, operations, income, or revenues predominantly in or derived from emerging markets.

A diversified portfolio of at least 75 holdings in companies listed or operating in at least 15 countries is maintained.

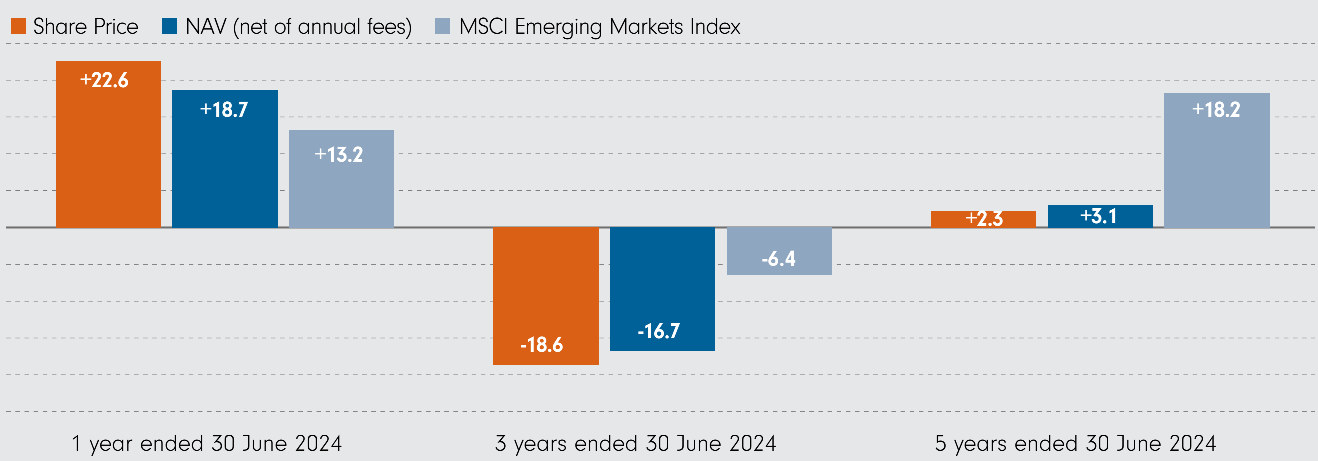
The Company may also invest into other transferable securities, investment companies, money market instruments, unlisted shares, cash and deposits within the limits of the investment policy restrictions as detailed on page 20. It is able to use derivatives for efficient portfolio management, to gain additional market exposure (gearing), to seek a positive return from falling asset prices, and for other investment purposes.

Financial Highlights

	30 June 2024	30 June 2023
Assets as at 30 June		
USD		
Gross Asset Exposure[1]	**$1,177.3m**	$1,185.0m
Equity Shareholders' Funds	**$753.4m**	$796.7m
NAV per Participating Preference Share[2]	**$10.09**	$8.75
Dividend per Participating Preference Share	**$0.20**	$0.19
Gross Gearing[2,3]	**56.3%**	48.7%
Net Gearing[2,4]	**4.3%**	(3.9)%
GBP		
Gross Asset Exposure[1,5]	**£940.7m**	£932.1m
Equity Shareholders' Funds[5]	**£596.0m**	£626.7m
NAV per Participating Preference Share[2,5]	**£7.98**	£6.88
Participating Preference Share Price and Discount as at 30 June		
Participating Preference Share Price at the year end	**£7.03**	£5.88
Discount to NAV per Participating Preference Share at year end[2]	**11.90%**	14.61%
Number of Participating Preference Shares in issue	**74,646,287**	91,100,066
Earnings for the year ended 30 June		
Revenue Earnings per Participating Preference Share[6]	**$0.16**	$0.22
Capital Earnings/(Loss) per Participating Preference Share[6]	**$1.29**	$(0.06)
Total Earnings per Participating Preference Share[6]	**$1.45**	$0.16
Ongoing charges ratio[2]	**0.81%**	0.81%

1 The value of the portfolio exposed to market price movements.
2 Alternative Performance Measure – refer to pages 77 and 78 and Glossary of Terms on pages 86 to 88.
3 Gross Asset Exposure less Equity Shareholders' Funds expressed as a percentage of Equity Shareholders' Funds.
4 Net Market Exposure less Equity Shareholders' Funds expressed as a percentage of Equity Shareholders' Funds.
5 The conversion from USD to GBP is based on exchange rates prevailing at the reporting dates.
6 Calculated based on weighted average number of participating preference shares in issue during the year.

Annual Total Returns in GBP to 30 June 2024 (%)



Contents

Chairman's Statement

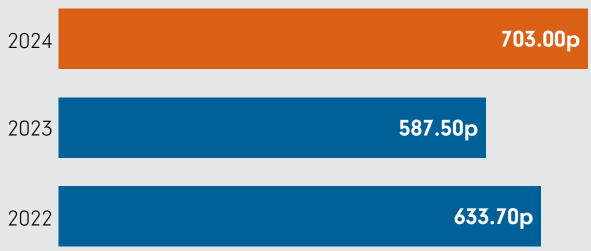
Read more on pages 2 to 3

Portfolio Managers' Review

Read more on pages 4 to 8

Net Asset Value per Share
as at 30 June

Share Price
as at 30 June



Strategy

Governance

Financial

Information for Shareholders

Chairman's Statement

This has been a year of strong performance with our share price advancing by 22.6% and our discount to NAV narrowing by 2.7% to 11.9%.

Heather Manners, Chairman

+18.7%

Net Asset Value per Participating Preference Share total return
(Year ended 30 June 2024)

+22.6%

Share Price total return
(Year ended 30 June 2024)

+13.2%

MSCI Emerging Markets Index
(Year ended 30 June 2024)

I am pleased to present your Company's 35th annual report, covering a year in which Fidelity Emerging Markets Limited ('the Company') performed strongly, both in absolute terms and relative to the Company's benchmark, the MSCI Emerging Markets Total Return Index ('the Index'). With the Company's portfolio now having been managed by Fidelity for approaching three years, it is particularly pleasing to observe that the extended investment toolkit available to the investment management team is having an appreciable impact, and we are beginning to show a clean pair of heels to the competition with this notably differentiated product.

Overview

During the 12-month period to 30 June 2024, the Company's NAV increased by 18.7% in GBP terms, compared with a gain of 13.2% in the benchmark. The share price advanced by 22.6%, with the discount to NAV narrowing from 14.6% at the beginning of the period to 11.9% at year-end (all performance figures stated on a total return basis). Having underperformed the Index somewhat in NAV terms in the first half of the financial year (with a total return of +3.2% versus +4.4% for the Index), the full-year NAV total return outperformance of 5.5 percentage points speaks to a particularly strong outcome in the second half of the period.

Thus, after a difficult year in 2022, when the Company's performance was negatively affected by Russia's invasion of Ukraine, and then a period of consolidation in 2023, it is encouraging to see in 2024 that the investment process – one which has delivered notably positive results since 2011 in the strategy's open-ended vehicle, the FAST Emerging Markets Fund – is now firing again on all cylinders and driving strong NAV performance.

You will find more detail on the contributors to absolute and relative performance in the Portfolio Managers' Review on the following pages. However, your Board is pleased to note the positive impact of stock selection – which drove the majority of the outperformance – as well as the significant value delivered by the enhanced investment toolkit. Stock selection – rather than investing by country or sector – is at the heart of your Company's investment strategy, facilitated by Fidelity's large and experienced team of portfolio managers and analysts, whose location in the markets they cover gives them a key advantage in terms of information and access to company managements. Their deep understanding of their investment universe is also what drives the ability to identify successful short as well as long positions.

At Board level, your Directors and I continue to work hard to support the share price, both through capital management initiatives and by promoting the Company to current and potential investors. I am pleased to note the proactive efforts of the investment manager in raising the Company's profile through events, presentations, and meetings with stakeholders, combined with regular advertising and content placement on many of the UK's leading investment websites and in key printed media to reach the broadest possible audience, both professional and retail. These efforts continue apace and are helping build investor conviction in the investment thesis, as well as contributing towards a positive perception of the Company's Portfolio Managers as thought leaders in emerging markets.

A key attraction for fee-conscious investors remains our low ongoing charges ratio of 0.81% (FY23: 0.81%), underpinned by a very competitive management fee that your Board believes offers great value for a truly actively managed emerging markets portfolio with a full set of investment tools at the managers' disposal.

Outlook

Although US financial markets have continued to suck liquidity from the rest of the world, your Portfolio Managers are positive on the outlook for emerging markets in the coming year and well beyond.

Emerging market central banks have been ahead of the curve in raising interest rates, inflation is generally well controlled, and they have significant policy headroom as, the US Federal Reserve continues to ease, which should be beneficial for emerging market equities. Moreover, while much of the US stock market performance has been driven by multiple expansion, emerging market equities remain very attractively valued on a relative basis.

With artificial intelligence (AI) stocks having dominated the investment headlines from the US, it is important to remember the role that emerging market companies, such as Taiwanese semiconductor makers and Korean memory suppliers, play in the AI value chain. Emerging markets are also among the largest producers of essential commodities such as copper and lithium, all of which are fundamental to the build-out of AI and low-carbon infrastructure.

Often the best investment opportunities can be found in smaller and medium-sized companies with a longer runway for growth. However, in far-flung emerging markets, these can be very hard for individual investors to identify. Your Board and I believe that one of the Company's major advantages is having a large team with 'boots on the ground', employing huge amounts of time and effort in finding the best mid-sized and smaller companies that can contribute to performance over many years. The permanent capital structure of the Company provides the freedom to invest for the long term in stocks that may not yet be widely known.

Board composition

As reported at the half-year stage, Julian Healy, Chairman of the Audit and Risk Committee, stepped down from the Board for personal reasons following the AGM in December. On 17 January we announced the appointment of Mark Little. Mark – a qualified Chartered Accountant with extensive financial services experience and a successful track record as an investment company director – has replaced Julian both as a Director and as Chairman of the Audit and Risk Committee, and will stand for election at the next AGM in December 2024. There have been no further Board changes in the period under review, and with none of the Directors yet approaching nine years' tenure, we do not foresee any in the immediate future. We thank Julian for his service, and with Mark's appointment we feel the board continues to have a strong diversity of background, specialist knowledge and competency.

Due diligence trip

In September 2023, the Board was fortunate to have the opportunity to visit Fidelity's team in the Middle East. We travelled to Saudi Arabia, Abu Dhabi and Dubai, following an investment team led schedule and observing the team at work, which was very helpful to our understanding of the investment opportunities in the region. The Middle East is not currently a large part of the portfolio, but it has contributed positively to performance, notably Saudi Arabian water utility Alkhorayef Water & Power Technologies was amongst the top ten contributors to performance this year and the region has the potential to play a greater role in the future.

Discount management

As noted above, during the year the discount to NAV narrowed somewhat, from 14.6% to 11.9% in what was a challenging year for the broader London listed closed end fund sector. The Company completed a tender offer in March 2024, which saw 13,531,881 shares (14.99% of the shares in issue) repurchased at a 2% discount to NAV, and we also bought back shares in the market, with an additional 2.9m shares repurchased (FY23: nil). Since year-end, we have repurchased an additional 2.8m shares (3.7% of shares in issue), and at 2 October 2024 (the latest practicable date), the discount to NAV stood at 12.2%. At the AGM in December 2024 we will seek to renew the existing annual authority to repurchase up to 14.99% of our Participating Preference Shares.

I would also remind readers that the Company has committed to undertake a further tender for up to 25% of its then shares in issue (excluding any shares held in treasury) should its NAV total return fail to exceed the benchmark over the five years ending on 30 September 2026.

While buybacks are NAV-accretive for existing shareholders, share repurchases on their own do not narrow discounts, and as such we continue to work to ensure that potential and existing investors fully understand the Company's story and the enhanced investment toolkit available to the managers, whose performance is beginning to speak for itself.

Dividend

Your Board does not task the Portfolio Managers with finding yield. However, some dividend income naturally arises, and after accounting for costs charged to the revenue account, the majority of this is paid out to our shareholders in the form of dividends.

A resolution to declare a final dividend of $0.20 per share (2023: $0.19) will be proposed at the AGM of the shareholders of the Company that will be held on 10 December 2024. Subject to shareholder approval, the final dividend will be paid on 13 December 2024 to shareholders on the Register of Members on 15 November 2024. The ex-dividend date is 14 November 2024.

AGM

This year's AGM will be held on Tuesday, 10 December 2024 at 11.00 a.m. at the registered office of the Company, Level 3, Mill Court La Charroterie, St Peter Port, Guernsey GY1 1EJ. Notice of the AGM, containing full details of the business to be conducted at the meeting, is set out on page 80 of this report. Your attention is also drawn to the Corporate Governance section of the Directors' Report on page 32 where resolutions relating to special business are explained.

Electronic proxy voting is now available and shareholders are encouraged to submit voting instructions using the web based voting facility at www.eproxyappointment.com and for institutional shareholders via the CREST system, CREST messages must be received by the issuer's agent (ID number 3RA50) not later than 11.00 a.m. on 8 December 2024. In order to use electronic proxy voting, shareholders will require their shareholder registration number, control number and pin. If you do not have access to these details please contact the Company's Registrar, Computershare, their contact details can be found on page 82 of this report.

Heather Manners
Chairman
8 October 2024

Portfolio Managers' Review

Nick Price was appointed as Portfolio Manager of Fidelity Emerging Markets Limited on 4 October 2021. He has 25 years of investment experience.

Chris Tennant was appointed as Portfolio Manager of Fidelity Emerging Markets Limited on 4 October 2021. He has 12 years of investment experience.

Question

How has Fidelity Emerging Markets Limited performed in the financial year to 30 June 2024?

Answer

The twelve months to the end of June was a period of strong performance for the Company. Markets were volatile as they reacted to developments in China and signals from the Federal Reserve about the pace of interest rate cuts. Another key driver for markets was the incredibly strong performance of AI-related stocks, not only in the US, but across the emerging market universe, too. Against this backdrop, emerging markets rallied over the period but underperformed developed markets such as the US. Over the year, the portfolio gained on an absolute basis and the Company delivered an NAV total return of 18.7% in sterling terms, outperforming the benchmark, which returned 13.2%.

Question

What were the main contributors to the outperformance during the year and why?

Answer

The Company's extensive 'toolkit' added significant value over the year. When managing the portfolio, we draw on a broad range of 'tools', namely the ability to adjust the level of gross exposure via gearing, to invest in mid-cap companies, take out short positions, and use options. It is pleasing to see that many of these tools, including the mid-cap exposure and the short book, added substantial value over the past year. While yield enhancement (or the options book) detracted, this is a function of it being a hedging tool, which means it detracts when performance is strong.

The short book in particular generated very positive performance. We take out short positions in businesses that are in structural or cyclical decline, and that have a number of red flags around aspects like their balance sheet structure, cash conversion, or related party/management conflicts of interest. Over the year there were two short positions in the top ten contributors to relative returns, a notable achievement given that we limit the size of short positions to c.100bps. The top performer in the short book was a declining Asian utility that is unsuccessfully pivoting into unrelated business areas, and which saw its share price halve during June, following poor earnings and after the major shareholder faced margin calls.

Looking to the rest of the portfolio, several holdings in the financials sector stand out. These included high-conviction positions like Brazilian digital challenger bank Nu Holdings, and Kazakhstan's e-commerce and payments platform Kaspi. Another contributor was Russia's TCS Group[1], a provider of online financial services, which we disposed of after identifying a liquidity opportunity. The Company's holdings in Russian securities have been fair valued at nil since the first quarter of 2022. Within information technology, Taiwanese semiconductor foundry business TSMC performed well given the growing tailwind from AI-related demand.

The Chinese consumer names held in the portfolio were the main headwind to performance. The portfolio had a marginal underweight exposure to China and Hong Kong combined at the end of June, but the Hong Kong listed names held such as sportwear company Li Ning and insurance company AIA lagged the domestic A-share market. A feature of 2023 was the significant underperformance of Hong Kong listed H-shares as foreign investors exited the market, although this started to reverse over the first half of 2024 as sentiment began to improve.

Overall, it was a strong period for the Company, which benefited from broad-based performance drivers and where the extensive toolkit added notable value.

Question

The Company is unique in its peer group given its ability to use both long and short positions. How did you exploit that flexibility over the past year?

Answer

One of the additional tools the Company has at its disposal is the ability to take out short positions. This allows us to profit not only from the winning businesses in each industry, but also from the losers.

An example of a now-closed short position that worked well for us is Microvast, a battery maker using antiquated, obsolete technology. We thought that Microvast also had a questionable order book and a stretched balance sheet. The company's share price fell significantly, and we exited the position at a profit earlier this year.

Other high-conviction short positions include several current holdings in Chinese EV makers (disclosure rules mean we are unable to name open short positions). These companies operate in an industry that suffers from high competitive intensity and overcapacity, while at a fundamental level these businesses also have undifferentiated products, high cash burn, and significant debt on their balance sheets.

Top 5 Positions

As at 30 June 2024	Country	Sector	Portfolio (%)	Index Weight (%)	Relative (%)
Taiwan Semiconductor Manufacturing	Taiwan	Information Technology	11.6	9.7	1.8
Naspers	South Africa	Consumer Discretionary	5.4	0.5	5.0
Kaspi.KZ	Kazakhstan	Financials	5.4	0.0	5.4
Samsung Electronics	South Korea	Information Technology	5.1	4.2	0.8
Nu Holdings	Brazil	Financials	4.6	0.0	4.6

1 Fidelity investment, trading and operational teams actively monitor developments, which can result in the identification of liquidity opportunities. Importantly, any pre-trade assessment ensures that activities do not contravene international sanctions. Prudent assessment of counterparties and all aspects of trade settlement arrangements are scrutinised and carefully managed in the best interests of clients. The decision to trade TCS was based on our assessment that a fair exit multiple was achievable.

Portfolio Managers' Review continued

Question

What were some of the major changes you made to the portfolio during the year and what drove those?

Answer

Over the twelve months to the end of June we focused on adjusting the portfolio's China/Hong Kong exposure. Something we pay very close attention to is the extent of negative sentiment towards China and the potential for a rebound, which we did indeed see following the end of the review period, when China announced meaningful stimulus measures in September. While the Chinese market faces structural issues, we think it is important to hedge the portfolio's underweight exposure. We also saw a number of very high-quality businesses that had disproportionately derated, offering attractive entry points.

One of the ways we looked to add exposure towards the end of the period was through the options book, initiating a long position in an out-of-the-money Hang Seng China Enterprises Index call option, which we funded by selling out-of-the-money put options. Given that implied volatility is at decade lows for emerging markets, utilising the options book is a cost-effective way to take out insurance against a rally in Chinese equities (which we saw during April and May and subsequent to the end of the review period in September). We also added a number of long positions in Chinese stocks during the review period, including high-quality consumer and internet businesses that now trade on very attractive valuations, including premium sportswear company Anta Sports and leading online travel agent Trip.com.

We also made changes within the portfolio's information technology holdings. The semiconductor industry has performed extremely well and index heavyweight TSMC, the Taiwanese foundry business, now makes up about a tenth of the emerging market index. We have a very constructive outlook for TSMC, which is a vital part of the AI supply chain, and the company remains a core position in the portfolio. However, we have looked to diversify exposure to other AI supply chain beneficiaries, with recent additions including Elite Material, a Taiwanese manufacturer of copper clad laminate, a vital input for printed circuit boards, and another beneficiary of AI-driven demand.

Question

What opportunities are you particularly excited about – are there any stand-out markets, sectors or themes you'd highlight?

Answer

We have a particularly constructive outlook for copper miners. Electrification and datacentres alone could add an incremental 4% per annum to demand over the rest of the decade, while the backdrop for supply is very muted, with few copper mines currently in operation, and little supply expected to come online given it takes around 10 years to bring a greenfield copper discovery into production. This creates a buoyant environment for copper prices.

The largest position we have is in Grupo Mexico, which is the holding company for Southern Copper, one of the lowest cost copper producers in the world. Given the Company's closed-ended nature we also have positions in mid-cap copper miners, for example Minsur, a Peruvian miner of copper and tin which has good assets, and a healthy cash balance that it has signalled it intends to pay out to investors.

We continue to see opportunities in the financials sector. While interest rates have likely peaked, the Company's financials exposure is not rate sensitive. Examples of companies we own are Indian private sector banks, companies in the fintech space and banks in Eastern Europe that are beneficiaries of falling rates.

Indian private sector banks HDFC Bank, ICICI Bank, and Axis Bank remain core holdings. These companies all stand to benefit from the underpenetration of financial services in India, and growing demand for credit cards and mortgage products. Unlike the Indian market in aggregate, these stocks trade at reasonable valuations. We have seen in recent years a significant shift in business towards these private banks at the expense of the state-owned banks and think that going forward they stand to benefit from strong GDP and credit growth in the Indian market.

High conviction holdings in fintech include Brazil's digital challenger bank Nu Holdings, which is rapidly taking market share from incumbents. Five years ago, the incumbent banks in Brazil were levying very high fees and rates on consumers, using that revenue to finance a bloated bricks-and-mortar cost base. This created a fantastic backdrop for a challenger bank like Nu to offer a great value proposition with no fees and lower interest rates, all at much better unit economics. As a result, it has been able to rapidly grow its customer base to 100m customers and start to expand into other markets like Mexico.

We also have exposure to beneficiaries of falling rates, for example, banks in countries such as Hungary, which are liability sensitive. This means that their liabilities reprice more quickly than their assets, so when rates come down, margins expand rather than contract. One of the stocks we hold is Hungary's OTP Bank, which has a dominant position in Eastern Europe and is set to benefit from net interest margin expansion as rates continue to come down.

Question

Another aspect of the company's broad toolkit is the ability to invest in smaller companies and in "off-the-beaten-track" markets like Vietnam. Can you outline some of the most exciting opportunities you are seeing in those areas?

Answer

One of the key benefits of the investment company structure is that we can take a longer investment horizon and move further down the market cap spectrum. This might be into smaller companies that are less well known by investors and are often poorly covered by the sell side, or companies in frontier markets such as Vietnam.

One mid-cap company we are particularly excited about is Brazil's Direcional, a developer of large-scale, low-income housing projects in Brazil. Affordable housing is a key priority for Brazil's President Lula, and recent changes to the "Minha Casa, Minha Vida" social housing programme make the low-income housing market much larger and more profitable than it has been historically. Despite these structural tailwinds and a benign competitive environment, the company is trading on a very cheap valuation, and is, we think, an underappreciated beneficiary of the growth in social housing in Brazil.

We also see opportunities in frontier markets such as Vietnam. One Vietnamese company we hold is FPT, an IT services business that benefits from Vietnam's highly skilled low-cost labour and is a beneficiary of the diversification of supply chains away from China. FPT owns its own university, providing access to the country's talent base, and offers unparalleled value to its customers, putting it in a good position to continue gaining market share.

Question

Given the scale of the emerging market opportunity set, one of Fidelity's strengths is the depth of resources and local presence around the world combined with your frequent research trips to the countries in which the Company invests. How do you leverage that resource to the benefit of the Company's shareholders and what were some of the key takeaways from recent country visits?

Answer

Travel is a huge part of our process and the investment team go on a number of research trips every year. These overseas trips form a crucial part of our due diligence process, and we've visited Poland, Greece, and the Middle East, among other places, over the past year. Speaking to local experts on their home turf is a vital input that allows us to assess all manner of opportunities and, of course, risks.

One of the more recent trips we went on was to Poland, where we wanted to assess the backdrop for companies following last year's election, when the right-wing PiS party was replaced by Donald Tusk's pro-EU coalition. This has resulted in management team changes at state-owned companies, leading to many companies having a much more shareholder friendly mandate than previously. We wanted to visit the country to assess this for ourselves and were heartened to see what appears to be a significant corporate change story underway, with a huge improvement in the treatment of minority shareholders. We think it is vital to meet these management teams in person in order to really understand who the winners and losers of this corporate change story are.

Question

How do you actively and efficiently manage the portfolio, given the extensive universe of companies to choose from in emerging markets?

Answer

Fidelity's extensive emerging market research team is one of the key mechanisms that lets us effectively manage the portfolio. We have about 50 analysts across the globe looking only at emerging market companies, which means we can develop a deep, unrivalled view of their dynamics, and explore the opportunities among mid-cap companies. There is excellent collaboration between all our analysts across regions and sectors, with those focused on global sectors like oil and gas, metals and mining, and technology helping us analyse what is going on in emerging markets alongside changes in developed markets.

Our research team really allows us to have 'boots on the ground' across emerging markets. This year we travelled to countries like Greece and Poland and spent time meeting with companies, their competitors, and their suppliers, seeing the assets and operations of companies first hand. There is no substitute for this sort of on the ground presence, and Fidelity research analysts carry out around 20,000 company meetings a year.

The way our global emerging markets investment team is structured also allows us to effectively cover different regions. The broader team manages three regional portfolios, encompassing Latin America, emerging EMEA, and emerging Asia, which all feed ideas into our global emerging markets portfolio, and within this the Company's portfolio. This structure is an acknowledgement of the fact that the emerging market universe is vast and means we can apply multiple layers of due diligence to the stocks we invest in.

Portfolio Managers' Review continued

Question

Finally, how do you view the prospects for the broad asset class and China in particular given overall valuation levels, macroeconomic conditions and the political backdrop across the emerging world?

Answer

Emerging market equities have structurally derated over the past 15 years. Weakness in China and a muted backdrop for commodity prices partly explains this, as well as the environment of higher interest rates and concerns about geopolitics.

We are cautiously optimistic about the year ahead. As the Fed has now started to ease policy, this should give the green light to emerging economies to continue cutting interest rates, which will be supportive of consumers and corporates, and will help drive flows to equity markets. During the current rate-hiking cycle, many emerging economies were far ahead of developed economies in acting decisively to raise rates and bring inflation under control. This means that real interest rates in many emerging markets are still incredibly high, and there is huge scope for rates to come down further.

Emerging economies also benefit from an improved fiscal backdrop, which stands in stark contrast to developed economies like the UK or the US, where the fiscal environment is the worst it's been for many years. While much of the boom in developed markets has been underpinned by QE and stimulus, we have not seen the same level of support extended in emerging economies, which makes the asset class better equipped for an environment of structurally higher interest rates.

Part of the reason the fiscal backdrop is better for emerging markets is the more buoyant backdrop for commodity prices. For emerging economies, the past decade has been marked by a bursting of the commodity bubble as demand from the China property market slowed down. Looking ahead to the next decade we see a much tighter environment for prices, given there has been a decade of underinvestment in the commodity complex, and the fact that there are strong demand drivers from electrification and AI. We expect this will be a huge tailwind for commodity exporting emerging market economies such as Brazil, South Africa, Indonesia, and Peru.

China remains key to the outlook. We are emerging from a period of significantly negative sentiment towards China and while structural problems persist, any signs that we are past the worst could lead international investors to start reallocating capital to the market. Following the end of the review period there was a significant rally in the Chinese market, as the government announced meaningful stimulus measures. The big challenge for China is consumer confidence as the post-Covid spending boom seen in developed markets failed to materialise, given weakness in the property market, which has historically made up around half of household wealth. This year the government has shifted from deleveraging the property market to looking to reflate it, with the most significant measures announced post the end of the review period in late September. While the recovery will likely be slow and protracted, any positive momentum in prices will support consumer confidence. However, we expect excess capacity in industries like steel, cement, and solar to persist, while the potential for higher tariffs is also a tail risk. For that reason, it is vital to be incredibly selective when investing in China.

Another driver for emerging markets is the exposure it offers to the AI supply chain. While US companies are typically thought of as AI beneficiaries, what is often overlooked is the fact that the bulk of the AI supply chain sits in emerging markets like Taiwan. Indeed, Jensen Huang, Nvidia's CEO, has said that Nvidia wouldn't be the company it is today without Taiwan's TSMC, which manufactures Nvidia's AI chips. Given the discount that emerging markets are trading on relative to the US, the emerging market universe offers exposure to the AI supply chain at much more attractive valuations.

The emerging market universe is trading at multi-decade lows relative to developed markets. Part of this is down to concerns about geopolitics. 2024 is a busy election year, with developments in both emerging economies and the US requiring close scrutiny. These are the types of events we continue to monitor incredibly carefully, drawing on the inputs of external experts to help make sense of elevated unpredictability in markets, and we continue to focus on staying fully engaged and speaking to geopolitical experts with a range of different perspectives.

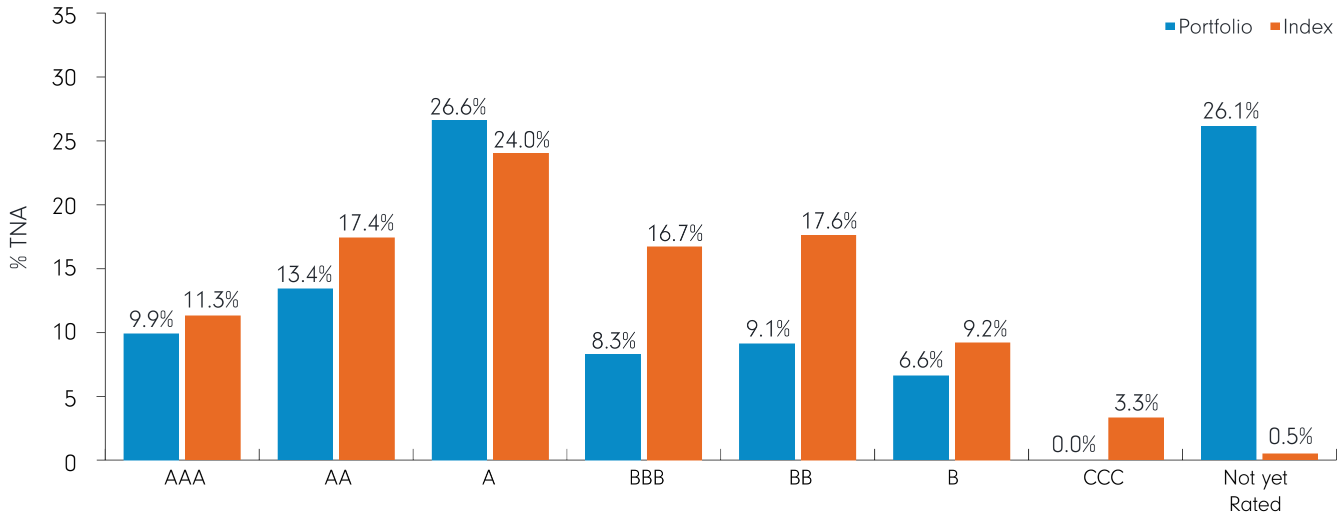
With an improving fundamental backdrop, we think today represents an attractive entry point for emerging market equities. Using our bottom-up, highly differentiated approach, we are focused on using the Company's extensive toolkit to carefully manage country-level exposures, and the short book to benefit from the universe's structural losers, as well as identifying the winners for the long book. Against a backdrop that will likely remain highly uncertain, we will continue to use this flexibility to closely manage risk, all the while exploiting the most exciting opportunities throughout the emerging market universe.

Nick Price
Chris Tennant
Portfolio Managers
8 October 2024

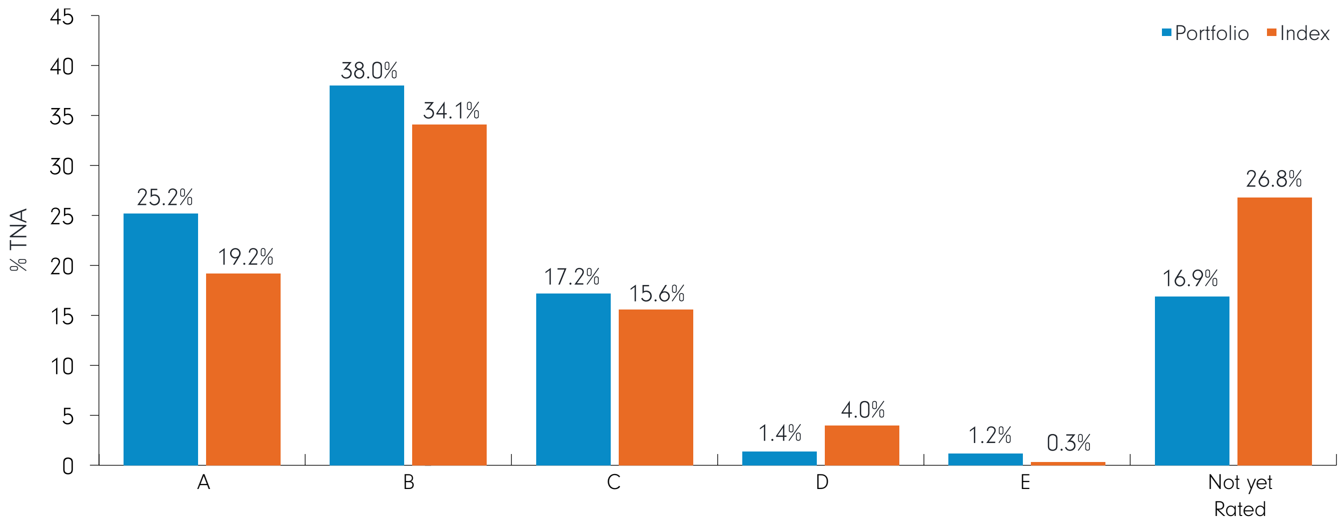
ESG Ratings

The charts below show a breakdown of the underlying stocks in the Company's portfolio using MSCI and Fidelity's own ESG ratings. It is encouraging that Fidelity's ratings, which are more forward-looking in nature, show a greater proportion of the portfolio in higher rated stocks than those rated by MSCI, which is more backward-looking and disclosure driven.

MSCI ESG ratings



FIL proprietary ESG ratings



Source: Fidelity International, MSCI ESG Research, Data is representative of the Fidelity Emerging Markets Limited as at 30 June 2024. LHS: The Fidelity Sustainability Ratings were launched in June 2019. As at 30 June 2024, they cover a universe of c. 4,000 issuers in equity and fixed income. Fidelity have a five scale rating of A (best) to E (worst). RHS: MSCI rates issuers on a AAA-CCC scale according to their exposure to industry specific ESG key issues and their ability to manage those issues relative to peers. The ESG ratings distribution is based on the Net Asset Value of holdings excluding cash, liquidity funds and ETFs which are grouped under "Cash & Others". The charts above show long book rebased to 100%. Short positions are excluded. Due to small rounding errors, Portfolio and Index holdings may not total 100%.

Fidelity International's proprietary sustainability ratings system leverages its internal research and interactions with issuers. The ratings are designed to generate a forward-looking and holistic assessment of ESG risks and opportunities based on sector specific performance indicators. Analysts quantify the direction of change of companies' ESG performance (positive, neutral or negative trajectory) and rate the companies using a scale of A (best) to E (worst).

Extended Investment Toolkit

Fidelity Emerging Markets Limited is an all-cap Global Emerging Markets strategy with enhanced investment powers which seeks to exploit a broad range of opportunities. As opposed to more traditional long-only funds, the Company adopts an active 'extension' investment style with the strategy benefitting from an expanded toolset which allows the portfolio managers to employ long and short extensions using derivatives as and when high conviction ideas are identified:

- **Equities**: The Company predominantly invests in equity securities that offer a significant degree of absolute upside from prevailing market prices. The portfolio managers will seek opportunities across the market cap spectrum, geographies, and consider listed companies, initial public offerings and unlisted investments

- **Long extensions**: Derivatives are used to provide additional exposure to stocks with the greatest upside potential and to offset the reduction in equity exposure introduced by the Company's short positions. Most of the long and short derivative exposure is currently achieved through Contracts for Difference ("CFDs").

- **Short extensions**: Derivatives are used to achieve the economic effect of a short position in a security which the portfolio managers believe is overvalued. Short positions are implemented on an opportunistic basis for up to approximately 30% of total Net Assets under normal market conditions.

- **Other instruments**: The Portfolio Managers can opportunistically access other derivative instruments such as options to enhance the Company's returns or manage its risk profile. An example of return enhancement would be the sale of call options against holdings in the fund in high volatility environments, to capture the option premium, whilst also providing an efficient exit from the position at a strike price equivalent to the stock's target price. An example of risk control would be the purchase of appropriate index put options in lower volatility environments to protect the Company against negative movements in equity markets, where such portfolio insurance can be purchased at an attractively low premium.

How this fits with our investment philosophy
We believe that many emerging market companies can sustain high levels of economic growth for years to come, driven by attractive demographic profiles, immature markets, an abundance of untapped natural resources, and generally low levels of indebtedness. However, whilst these positive attributes provide a fertile environment for companies to grow their earnings, it is critical to ensure that each company we invest in can generate superior and sustainable returns on assets that permit them to fund the growth of their business, withstand competitive pressures and achieve attractive returns for minority shareholders.

With this in mind, we define high quality companies as those that exhibit:

- **Quality** – high quality, well capitalised companies capable of achieving superior returns on assets, and where strong free cash flow generation can be used to either self-fund future growth or pay dividends to shareholders.

- **Consistency of returns** – dominant companies that can maintain superior levels of growth and profitability resulting from a sustainable competitive advantage, such as market share, technology, or cost leadership; companies which exhibit a solid track record of delivering attractive total shareholder returns over time.

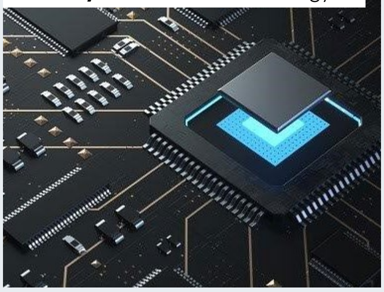
- **Reasonable price** – attractive valuations that understate the intrinsic value of a company. Target prices are determined for every stock considered for the portfolio, reflecting each company's sustainable level of earnings power across the economic cycle and an appropriate valuation multiple.

Conversely, it is those weaker peers who are unable to compete with the strongest franchises that are likely to fall by the wayside. Using short positions, these weaker businesses form some of the additional investment opportunities that we can take advantage of, as an additional source of performance.

Spotlight on Top 10 holdings
as at 30 June 2024

Based on Asset Exposure expressed as a percentage of Net Assets. Asset Exposure comprises the value of direct equity investments plus market exposure to derivative instruments.

Industry Information Technology



Taiwan Semiconductor Manufacturing ("TSMC")

% of Net Assets **11.6%**

TSMC is a pre-eminent Taiwanese semiconductor foundry with leading-edge technology, which reinforces the company's competitive position and ability to generate incremental return on invested capital. The company has built a technological moat over the past three decades and occupies an especially dominant position at the forefront of the industry as competitors have dropped out of the race due to technical hurdles and the barrier of high required capital expenditures. TSMC's ability to hire the best talent while continuously improving its know-how keeps it ahead of the competition and able to generate cashflow to reinvest in R&D and capacity.

Industry Consumer Discretionary

Naspers

% of Net Assets **5.4%**

Naspers is a South African holding company specialising in internet investments. The unwinding of its complex corporate structure last year was an important development for minority shareholders, who will benefit from Naspers' ability to buy back more of its shares and further shrink the discount between the value of Naspers and Prosus, as well as their biggest asset Tencent.

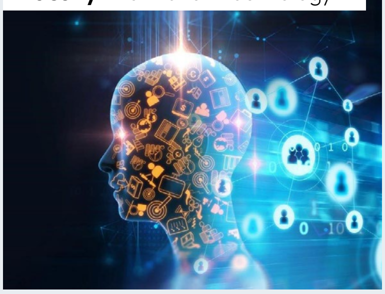
Industry Financials

Kaspi.KZ

% of Net Assets **5.4%**

Kaspi is the dominant consumer finance, e-commerce, and payments platform in Kazakhstan. It provides interconnected technology and products and services that help people to pay, shop, and manage their finances. Its ecosystem connects consumers and merchants, enabling digital payments, e-commerce, and financial services. The company's gateway to its ecosystem is the mobile app, which is powered by the company's proprietary technology and enables users to navigate between interconnected products and services. Kaspi serves customers in Kazakhstan and Azerbaijan.

Industry Information Technology

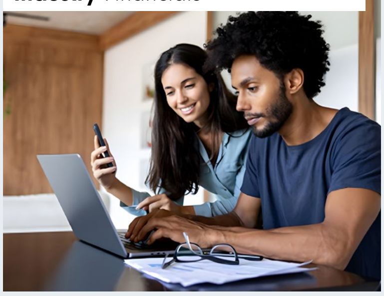


Samsung Electronics

% of Net Assets **5.1%**

Samsung Electronics is a technology powerhouse with products spanning upstream manufacturing to downstream consumer products. The company's device experience division produces product such as mobile handsets, tablets, business networks and medical and health equipment, while its device solutions segment captures its memory and foundry business. Innovations in artificial intelligence, 5G and 6G, automotive electronics and a wide range of robotics are also core to Samsung's strategy.

Industry Financials



Nu Holdings

% of Net Assets **4.6%**

Nu Holdings is an off-benchmark name which is a testament to the power of Fidelity's research capability that extends beyond the typical investment universe. The management is focused on growing deposits, personal loans, and cross-selling financial products on its platform. Brazil is the core market, but the company is also expanding in Mexico and Colombia. The company has consistently reported strong profitability and grown its total number of customers to approximately 100m, demonstrating exceptional execution on customer acquisitions, and asset quality that has been more resilient than expected.

Spotlight on Top 10 holdings continued

Industry Consumer Discretionary

MakeMyTrip

% of Net Assets **3.9%**

Makemytrip is the largest online travel agency in India. The company has a leading share in air ticketing and dominant market share in bus ticketing. It also has a strong and growing presence in hotels. The company has a long growth runaway given low penetration of airlines and hotels in India along with improving air connectivity and infrastructure. The company is benefiting from rising income levels and increasing internet penetration in the country. Trip.com's ownership and board presence are likely to give further impetus to international growth, improve strategic decision making and the competitive position of the company.

Industry Financials

Axis Bank

% of Net Assets **3.8%**

The promising long-term growth prospects of India's third-largest private lender Axis Bank stand out. The bank has an encouraging asset quality, well-capitalised balance sheet, low cost of funds, healthy interest margins and high provision buffers.

Industry Utilities

AlKhorayef Water & Power Technologies

% of Net Assets **3.6%**

Alkhorayef Water & Power Technologies is a Saudi Arabian water utility company which operates in a fragmented industry that has seen strong growth and has a good focus on returns and project economics, with a large pipeline of projects and a strong management team.

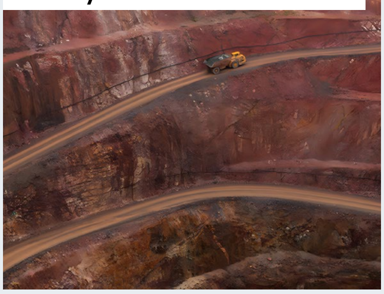
Industry Financials

HDFC Bank

% of Net Assets **3.4%**

HDFC Bank is the best run bank in India with a focus on non-mortgage retail lending. It has an excellent history of balancing growth and shareholder returns. Its conservative capital management practices enable it to continually invest across the cycle. Its leading-edge technology reinforces its competitive position and ability to generate incremental returns on invested capital.

Industry Materials



Grupo Mexico

% of Net Assets **3.1%**

Grupo Mexico has an 89% stake in Southern Copper which accounts for 80% of group earnings. Southern Copper remains a highly attractive and cash generative business. Grupo Mexico Transportes is another driver of Grupo Mexico's earnings and it continues to track well with broad end industry exposure and decent efficiency gains. Overall, Grupo Mexico has good assets, is generating strong cashflow and will clearly benefit from any upward move in the copper price.

Forty Largest Holdings
as at 30 June 2024

The Asset Exposures shown below measure exposure to market price movements as a result of owning shares, corporate bonds, equity linked notes and derivative instruments. The Fair Value is the realisable value of the portfolio as reported in the Balance Sheet. Where the Company holds shares, corporate bonds and equity linked notes, the Asset Exposure and Fair Value will be the same. For derivative instruments, Asset Exposure is the market value of the underlying asset to which the Company is exposed, while the Fair Value reflects the profit or loss on the contract since it was opened, and is based on how much the share price of the underlying asset has moved.

	Asset Exposure		Fair value
	$'000	%[1]	$'000
Long Exposures – shares unless otherwise stated			
Taiwan Semiconductor Manufacturing (shares, option and long CFD) Information Technology	87,016	11.6	79,736
Naspers Consumer Discretionary	40,678	5.4	40,678
Kaspi.KZ Financials	40,447	5.4	40,447
Samsung Electronics (shares and long CFD) Information Technology	38,012	5.1	9,129
Nu Holdings (option and long CFD) Financials	34,516	4.6	2,712
MakeMyTrip (option and long CFD) Consumer Discretionary	29,694	3.9	(831)
Axis Bank (shares and long CFD) Financials	28,630	3.8	6,033
AlKhorayef Water & Power Technologies Utilities	27,359	3.6	27,359
HDFC Bank (shares, option and long CFD) Financials	25,705	3.4	23,500
Grupo Mexico (shares and long CFD) Materials	23,465	3.1	986
ICICI Bank (shares and long CFD) Financials	23,181	3.1	6,197
AIA Group (shares and long CFD) Financials	21,090	2.8	4,736
Bank Central Asia Financials	19,668	2.6	19,668
Piraeus Financial Holdings Financials	16,125	2.1	16,125
MediaTek Information Technology	15,838	2.1	15,838
Samsonite International (long CFD) Consumer Discretionary	14,456	1.9	(465)
Auto Partner Consumer Discretionary	13,899	1.8	13,899
TBC Bank Group (long CFD) Financials	13,538	1.8	990
Eicher Motors Consumer Discretionary	13,509	1.8	13,509
Brilliance China Automotive Holdings (shares and long CFD) Consumer Discretionary	13,351	1.8	1,685
ASML Holding (option and long CFD) Information Technology	12,331	1.6	(20)

Forty Largest Holdings continued

	Asset Exposure $'000	Asset Exposure %[1]	Fair value $'000
Banco BTG Pactual Financials	12,026	1.6	12,026
Standard Bank Group (shares and long CFD) Financials	12,022	1.6	4,352
SK Hynix (option and long CFD) Information Technology	11,520	1.5	591
FPT Information Technology	11,407	1.5	11,407
Alibaba Group Holding (shares, option and long CFD) Consumer Discretionary	11,267	1.5	716
Grupo Aeroportuario del Pacifico Industrials	10,949	1.5	10,949
Endeavour Mining (long CFD) Materials	10,935	1.5	269
OTP Bank Financials	10,536	1.4	10,536
Five-Star Business Finance Financials	10,499	1.4	10,499
Lundin Gold Materials	10,321	1.4	10,321
PDD Holdings (long CFD) Consumer Discretionary	9,652	1.3	(626)
Pan African Resources Materials	9,501	1.3	9,501
China Resources Land (shares and option) Real Estate	8,507	1.1	2,953
Wiwynn Information Technology	8,479	1.1	8,479
Africa Oil (long CFD) Energy	8,450	1.1	421
Kuaishou Technology (shares and long CFD) Communication Services	8,145	1.1	1,522
ANTA Sports Products Consumer Discretionary	7,891	1.0	7,891
National Bank of Greece (long CFD) Financials	7,873	1.0	(320)
TAV Havalimanlari Holding Industrials	7,796	1.0	7,796
Forty largest long exposures	**740,284**	**98.2**	**431,194**
Other long exposures	367,495	48.8	272,614
Total long exposures before long futures and hedges (136 companies)	**1,107,779**	**147.0**	**703,808**

Forty Largest Holdings continued

	Asset Exposure $'000	Asset Exposure %[1]	Fair value $'000
Add: long future contracts			
Hang Seng China Enterprises Index	22,348	3.0	(399)
Total long future contracts	**22,348**	**3.0**	**(399)**
Less: hedging exposures			
MSCI Emerging Markets Index (future)	(148,757)	(19.7)	(1,196)
Total hedging exposures	**(148,757)**	**(19.7)**	**(1,196)**
Total long exposures after the netting of hedges	**981,370**	**130.3**	**702,213**
Add: short exposures			
Short CFDs (66 holdings)	170,814	22.7	6,830
Short futures (7 holdings)	22,831	3.0	(26)
Short options (2 holdings)	2,306	0.3	914
Total short exposures	**195,951**	**26.0**	**7,718**
Gross Asset Exposure[2]	**1,177,321**	**156.3**	
Forward currency contracts			364
Portfolio Fair Value[3]			**710,295**
Net current assets (excluding derivative assets and liabilities)			43,151
Total Net Assets			**753,446**

1 Asset Exposure (as defined in the Glossary of Terms on page 86) expressed as a percentage of Net Assets.
2 Gross Asset Exposure comprises market exposure to investments of $696,753,000 (per Note 10 on page 57) plus market exposure to derivative instruments of $480,568,000. (per Note 11 on page 60).
3 Portfolio Fair Value comprises investments of $696,753,000 plus derivative assets of $25,399,000 less derivative liabilities of $11,857,000. (per the Statement of Financial Position on page 47).

STRATEGY GOVERNANCE FINANCIAL INFORMATION FOR SHAREHOLDERS

Distribution of the Portfolio

as at 30 June 2024

Sector	% of Net Assets %[1]	Benchmark Index %
Financials	43.8	21.9
Consumer Discretionary	32.7	12.3
Information Technology	28.9	25.0
Materials	21.5	6.9
Industrials	12.7	6.9
Consumer Staples	8.0	5.2
Communication Services	5.3	8.9
Energy	5.0	5.2
Utilities	5.0	3.0
Real Estate	3.1	1.5
Health Care	0.7	3.2
Investment Funds	0.6	–
Others	8.7	–
Total excluding hedging	**176.0**	**100.0**
Hedging	(19.7)	–
Total including hedging	**156.3**	**100.0**

1 Asset Exposure is expressed as a percentage of Net Assets.

Distribution of the Portfolio continued

Country	% of Net Assets %[1]	Benchmark Index %
India	23.4	19.2
Taiwan	19.1	19.4
China	18.7	25.1
South Africa	13.1	3.0
Brazil	11.9	4.2
South Korea	10.0	12.2
Mexico	6.9	2.1
Saudi Arabia	6.4	3.9
Kazakhstan	6.2	–
Canada	5.6	–
Greece	4.2	0.5
Indonesia	4.1	1.6
Poland	4.0	1.0
United States of America	3.9	–
Hong Kong	3.7	–
Vietnam	2.7	–
United Arab Emirates	2.2	1.1
Japan	1.9	–
Georgia	1.8	–
Netherlands	1.6	–
Peru	1.6	0.3
Burkina Faso	1.5	–
Hungary	1.4	0.2
Thailand	1.1	1.3
Turkey	1.0	0.8
France	1.0	–
Romania	0.8	–
Chile	0.7	0.4
Philippines	0.7	0.5
Kuwait	0.7	0.7
Nigeria	0.7	–
Panama	0.6	–
Cayman Islands	0.6	–
Germany	0.6	–
Zambia	0.6	–
United Kingdom	0.6	–
New Zealand	0.5	–
Australia	0.5	–
Uruguay	0.4	–
Finland	0.2	–
Cyprus	0.1	–
Others	8.7	2.5
Total excluding hedging	**176.0**	**100.0**
Hedging	(19.7)	–
Total including hedging	**156.3**	**100.0**

1 Asset Exposure is expressed as a percentage of Net Assets.

Attribution Analysis
as at 30 June 2024

Ten Highest Contributors to NAV relative return	%
MakeMyTrip	+2.8
Kaspi KZ	+2.7
TCS Group	+2.4
Nu Holdings	+1.7
Brilliance China Auto	+1.4
Alkhorayef Water & Power Technologies	+1.3
Short Position	+1.2
Taiwan Semiconductor Manufacturing	+1.2
Short Position	+0.8
FPT Corporation	+0.8

Ten Highest Detractors from NAV relative return	%
China Mengniu Dairy Company	-2.2
AIA Group Limited	-2.0
Li Ning	-1.9
HDFC Bank	-0.9
Armac Locacao Logistica E Servicos	-0.9
Short Position	-0.8
Zhongsheng Group	-0.8
Localiza Rent A Car	-0.7
First Quantum Minerals	-0.7
PDD Holdings	-0.7

Note: Derivative positions are included in the above investment positions.
Source: Fidelity International.

Five Year Record

For the year ended 30 June	2024	2023	2022	2021	2020
Investment Performance					
Net Asset Value per Participating Preference Share total return (%)[1]	**+18.7**	-2.6	-27.9	+24.8	-0.8
Share Price total return (%)[1]	**+22.6**	-5.2	-30.0	+30.0	-3.3
MSCI Emerging Markets Index total return (%)	**+13.2**	-2.8	-14.9	+26.4	-0.1
Assets					
Gross Asset Exposure ($m)[1]	**1,177.3**	1,185.0	1,120.1	1,679.9	1,205.3
Net Assets ($m)	**753.4**	796.7	796.8	1,699.1	1,235.8
Gross Gearing (%)[1]	**56.3**	48.7	40.6	n/a	n/a
Net Gearing (%)[1]	**4.3**	(3.9)	(7.6)	n/a	n/a
Net Asset Value per Participating Preference Share ($)[1]	**10.09**	8.75	8.75	13.99	10.17
Net Asset Value per Participating Preference Share (£)[1]	**7.98**	6.88	7.20	10.13	8.23
Share Price data at year end					
Share Price (£)	**7.03**	5.88	6.34	9.19	7.18
Discount (%)[1]	**11.90**	14.61	12.00	9.28	12.80
Earnings and Dividends paid					
Revenue Earnings per Participating Preference Share ($)[2]	**0.16**	0.22	0.15	0.17	0.15
Capital Earnings/(Loss) per Participating Preference Share ($)[2]	**1.29**	(0.06)	(5.11)	3.81	(0.53)
Total Earnings/(Loss) per Participating Preference Share ($)[2]	**1.45**	0.16	(4.96)	3.98	(0.38)
Dividend per Participating Preference Share	**$0.20**	$0.19	$0.16	$0.18	$0.17
Ongoing Charges (%)[1]	**0.81**	0.81	0.60	1.03	1.07

1 Alternative Performance Measures. Please see pages 77 and 78 and the Glossary of Terms on pages 86 to 88 for further details.
2 Calculated based on weighted average number of participating preference shares in issue during the year.

Sources: JPMorgan and Datastream
Past performance is not a guide to future returns.

Strategic Report

The Directors have pleasure in presenting the Strategic Report of the Company. The Chairman's Statement and Portfolio Managers' Review on pages 2 to 8 form part of the Strategic Report.

INVESTMENT STRATEGY AND POLICIES

Business and Status

The Company is a closed-ended investment scheme authorised by the Guernsey Financial Services Commission and is listed on the London Stock Exchange.

The Company was incorporated in Guernsey on 7 June 1989 and commenced business as an investment company on 19 September 1989.

Manager and Investment Manager

The Alternative Investment Fund Manager (FIL Investment Services (UK) Limited/ the "Manager") has delegated the role of Investment Manager to FIL Investments International ('Fidelity International', the 'Investment Manager'). Both the Manager and Investment Manager are part of the FIL Group of companies, collectively 'Fidelity'.

Investment Objective

The Company's investment objective is to achieve long-term capital growth from an actively managed portfolio made up primarily of securities and financial instruments providing exposure to emerging market companies, both listed and unlisted. The objective was last updated on 1 October 2021.

Investment Policy

The Company seeks to meet its investment objective through investment in a diversified portfolio of equity or equity-linked securities and derivative instruments providing exposure to emerging market companies.

The Manager integrates sustainability analysis into its investment process and promotes environmental and social characteristics in respect of the companies in which it invests.

Modification of Investment Objective or Investment Policy

In accordance with the Listing Rules of the Financial Conduct Authority, any material change to the Company's published Investment Objective or Investment Policy will require the prior approval of both the Financial Conduct Authority and the shareholders of the Company (by way of an ordinary resolution).

Investment minimum constraints

At least 80% of the Company's total assets (measured at the time of investment) will be exposed to companies that have their head office in, are listed in or with assets, operations, income or revenues that are predominantly in or derived from emerging markets.

The Company is not subject to any geographical or sector limits, although the Manager will maintain a diversified portfolio of a minimum of 75 holdings (comprised of a mixture of long and short exposures) in companies listed in or operating across at least 15 countries.

Fidelity is not required to seek to ensure that the Company's cash resources are fully invested at all times. Accordingly, there may be times when the Company holds cash or money market instruments pending investment. The Company's net market exposure will not fall below 90% of the Company's net assets save to the extent that the Manager is required to realise cash to fund a tender offer or other return of capital.

Permitted instruments

The Company may invest through equities, index linked securities, contracts for difference ("CFDs"), equity linked and other debt securities, cash deposits, money market instruments, equity related securities, foreign currency exchange forward transactions and other interests including derivative instruments. The Company may invest directly in China A and B Shares and invest in Non-Voting Depository Receipts, American Depositary Receipts, Global Depositary Receipts and Equity Linked Notes. References to "companies" in this investment policy may include operating businesses that are not in corporate form.

Forward transactions and derivatives, including futures, options, swaps and contracts for difference, may be used to enhance portfolio performance as well as for efficient portfolio management and hedging.

The Company may invest in unlisted securities and in other investment funds, subject to the investment restrictions set out below.

Investment Restrictions

The Company will invest and manage its assets with an objective of spreading risk with the following investment restrictions:

- no single or aggregate interest in any one company shall represent more than 15% of total assets (measured at the time of investment);
- no more than 15% of total assets (measured at the time of investment) may be invested in unlisted securities;
- up to 15% of total assets (measured at the time of investment) may be invested in other listed or unlisted investment funds where such funds offer the only practicable means of gaining exposure to a particular emerging market, including other funds managed or advised by the Manager or its associates;
- up to 20% of total assets (measured at the time of investment) may be invested in securities and instruments which provide exposure to companies which do not have their head office in, are not listed in or whose assets or operations are not predominantly in emerging markets, provided that a material proportion of the income or revenues of each such company derives from emerging markets.

Although the Company has no present intention to make any such investments, for so long as required by the Listing Rules, no more than 10% of the Company's total assets (measured at the time of investment) may be invested in other London-listed closed ended

Strategic Report continued

funds that do not have stated policies to invest no more than 15% of their total assets in other London-listed closed ended funds.

Leverage and derivatives
The Company may be geared through (i) borrowing of up to 10% of its net asset value and/or (ii) by entering into derivative positions (both long and short) which have the effect of gearing the Company's portfolio, to enhance performance.

Derivatives usage will focus on, but will not be limited to the following investment strategies:

- as an alternative form of gearing to bank loans, for instance by the use of long CFDs;
- to enhance the investment returns by taking short positions in stocks or markets that the Manager considers to be over-valued or impaired;
- to enhance positions, manage position sizes and control risk through the use of options;
- to hedge equity market risks where suitable protection can be purchased to limit the downside of a falling market at a reasonable cost; and
- to gain or hedge currency exposure, both long and short, using foreign currency exchange forward transactions.

The Company is subject to the following limits in respect of its use of derivatives:

- Net Market Exposure will not exceed 120% of the net asset value of the Company.
- Gross Asset Exposure will not exceed 165% of the net asset value of the Company.
- In normal market circumstances, the Company expects that the Manager will maintain a Net Market Exposure in the range of 100% to 110%.

Exposure Definitions
- Long Exposure is the value of the Company's direct and indirect investments in long positions (including the economic value of the exposure to the reference asset of any derivative instrument).
- Short Exposure is the value of the Company's direct and indirect investments in short positions (including the economic value of the exposure to the reference asset of any derivative instrument), excluding Hedges.
- Hedges are short positions that demonstrate risk-reduction qualities by offsetting long positions held by the Company which have regional congruence and a correlation of at least 80% to the Long Exposure of the Company.
- Net Market Exposure is the net positive market exposure of the Company's portfolio, whether through direct or indirect investment, with short and hedge positions subtracted from long positions. It is calculated as (Long Exposure – Hedges) – Short Exposure.
- Gross Asset Exposure is the total market exposure of the Company's portfolio, whether through direct or indirect investment. It is calculated as: (Long Exposure + Short Exposure) – Hedges.

Benchmark Index
The Company's benchmark is the MSCI Emerging Markets (Total Return) Index.

Life of the Company
The Company has committed to hold a continuation vote in 2026 and every five years thereafter. The Company will propose the continuation vote at its annual general meeting in the relevant year and, if the continuation vote is not passed, will thereafter present proposals to shareholders in respect of the future of the Company.

Management
The Company has no employees or premises and the Board is comprised of non-executive Directors. During the year under review, the majority of day-to-day operations and functions of the Company were delegated to Fidelity, and to third party service providers who are subject to the oversight of the Board. There are therefore no disclosures to be made in respect of employees.

During the year under review Fidelity, provided investment and risk management services, JP Morgan Chase Bank was the Custodian and JP Morgan Administration Services (Guernsey) Limited was the Administrator. Company Secretarial services are provided by FIL Investments International. The Board regularly reviews the performance and risks of its primary service providers and checks that they have appropriate frameworks in place for the oversight of their internal controls, monitoring and reporting.

Strategic Report continued

PRINCIPAL AND EMERGING RISKS AND UNCERTAINTIES, RISK MANAGEMENT

In accordance with the AIC Code, the Board has a robust ongoing process for identifying, evaluating and managing the principal risks and uncertainties faced by the Company, including those that could threaten its business model, future performance, solvency or liquidity. The Board, with the assistance of the Manager, has developed a risk matrix which, as part of the risk management and internal controls process, identifies the key existing and emerging risks and uncertainties that the Company faces. The Audit and Risk Committee continues to identify any new emerging risks and take any action feasible to mitigate their potential impact. The risks identified are placed on the Company's risk matrix and graded appropriately. This process, together with the policies and procedures for the mitigation of existing and emerging risks, is updated and reviewed regularly in the form of comprehensive reports considered by the Audit and Risk Committee. The Board determines the nature and extent of any risks it is willing to take in order to achieve its strategic objectives.

The Manager also has responsibility for risk management for the Company. It works with the Board to identify and manage the principal and emerging risks and uncertainties and to ensure that the Board can continue to meet its corporate governance obligations.

Key emerging issues that the Board has identified include; rising geopolitical tensions, including contagion of the Ukraine crisis and escalation of Middle East tensions or tensions between China and Taiwan into the wider region or an increase in tensions in the South China Sea; continuous "high levels of so-called cost of living crisis impacting demand for UK-listed shares; Artificial Intelligence hype. AI as a differentiator capability and as a multiplier of existing risks and climate change, which is one of the most critical emerging issues confronting asset managers and their investors. The Board notes that the Manager monitors these issues, and has integrated macro and ESG considerations, including climate change, into the Company's investment process. The Board will continue to monitor how this may impact the Company as a risk, the main risk being the impact on investment valuations.

The Board considers the following as the principal risks and uncertainties faced by the Company.

Principal Risks	Risk Description and Impact	Risk Mitigation	Trend
Volatility of Emerging Markets and Market Risks	• The economies, currencies and financial markets of a number of developing countries in which the Company invests may be extremely volatile. • Further risks on emerging markets from high inflation, and challenging financial conditions exacerbated by the war in Ukraine and Middle East. • Market volatility from worsening Chinese/ Taiwanese relations that could prompt the US to intervene amplified by uncertainty of the foreign policy changes following US elections. • US imposed Executive Orders prohibiting US investments in certain Chinese companies and the passing of the Holding Foreign Companies Accountable Act (HFCAA). • Rising geopolitical tensions, including contagion of the Ukraine and Middle East crisis or tensions between China and Taiwan into the wider region. • Regulatory measures impacting sectors such as IT sector or biotech sector and a lingering weakness in the real estate sector.	• The Company's investments are geographically diversified in order to manage risks from adverse price fluctuations. • Russian securities already held at nil value. • The exposure to any one company is unlikely to exceed 5% of the Company's net assets at the time the investment is made. • Review of material economic or market changes and major market contingency plans for extreme events. • China's integration into the global financial system and into global supply chains. • Companies that were solely listed in the US are listing on the HK or mainland markets. • Robust risk governance in place supports risk profile assessment.	Stable

Strategic Report continued

Principal Risks	Risk Description and Impact	Risk Mitigation	Trend
Investment Performance Risk	• The Portfolio Manager may fail to outperform the Benchmark Index over the longer-term.	• An investment strategy overseen by the Board to optimise returns. • A well-resourced team of experienced analysts covering the market. • Board scrutiny of the Manager and the ability in extreme circumstances to change the Manager.	Stable
Changing Investor Sentiment	• As a Company investing in emerging markets, changes in investor sentiment may lead to the Company becoming unattractive to investors and reduced demand for its shares, causing the discount to widen.	• The Company has an active investor relations programme. • The Board is updated regularly by the Investment Manager on developments in emerging markets and on the portfolio. • The Chairman communicates regularly with major shareholders. • The Company pays a regular dividend and considers regularly when and how to use share buybacks.	Stable
Cybercrime and Information Security Risks	• Cybersecurity risk to the functioning of global markets and to national infrastructure, as a targeted attack or overspilling from the Russia/Ukraine war, Middle East crisis and geopolitical events. • Cybersecurity risk from Covid or successor pandemics affecting the functioning of businesses and global markets. • External cybercrime threats such as spam attacks, ransomware, DDoS (Distributed Denial of Service) attacks, financial theft and reputational risk arising from accidental data leakage. Ransomware continues to increase globally and is also becoming a supply chain risk.	• The risk is monitored by the Board with the help of the extensive Fidelity global cybersecurity team and assurances from outsourced suppliers. • Development of systems and procedures by the AIFM resulting from the experience of the Covid pandemic and cyber activity following the Russian invasion of Ukraine.	Increased
Level of Discount to Net Asset Value ("NAV") Risk	• The share price performance lags NAV performance. • The Board may fail to implement its discount management policy. • Elevated energy costs and cost of living crisis impact on retail demand for shares.	• The Board reviews the discount on a regular basis and has the authority to repurchase shares so shares can trade at a level close to the NAV. • If the NAV total return for the five years ending 30 September 2026 does not exceed the Benchmark Index, the Company will make a tender offer for up to 25% of the shares in issues (excluding shares held in treasury) at that time. • The Board and manager proactively try to raise the Company's profile through events, presentations, and meetings with stakeholders, combined with regular advertising and content placement on many of the UK's leading investment websites and in key printed media to reach the broadest possible audience.	Increased

Strategic Report continued

Principal Risks	Risk Description and Impact	Risk Mitigation	Trend
Lack of Market Liquidity Risk	• Low trading volumes on stock exchanges of less developed markets. • Lack of liquidity from temporary capital controls in certain markets. • Exaggerated fluctuations in the value of investments from low levels of liquidity.	• Restrictions on concentration and diversification of the assets in the Company's portfolio to protect the overall value of the investments and lower risks of lack of liquidity.	Stable
Business Continuity & Event Management Risks	• The wars in Ukraine and Middle East conflict has increased the risk for working from home or in offices, specifically concerning the potential loss of network outages. • Business process disruption risk globally considers Cyber, Geopolitical, and Earthquake as the top risks, which if were to materialise to a business disruption event, the impact could be reputational in the near term and broader over time (financial, client, industry) depending on the duration/severity of the events.	• Business Continuity and Crisis Management Frameworks in place. Business Continuity Oversight Group (BCOG) is established which provides support to drive business continuity through the organisation that ranges from strategic input to operational processes. • Digital teams continue to maintain solutions to allow business continuity and operational. • Annual requirement to perform recovery site test, remote working test, work transfer test and notification test.	Stable
Gearing Risk	• The Portfolio Manager may fail to use gearing adequately, resulting in a failure to outperform in a rising market or to underperform in a falling market.	• The Board sets a limit on gearing and provides oversight of the Manager's use of gearing.	Stable
Foreign Currency Exposure Risk	• The functional currency in which the Company reports its results is US dollars, whilst the underlying investments are in different currencies. The value of assets is subject to fluctuations in currency rates and exchange control regulations.	• The Portfolio Manager does not hedge the underlying currencies of the holdings in the portfolio but will take currency risk into consideration when making investment decisions.	Stable
Environmental, Social and Governance (ESG) Risk	• The adoption of international standards may adversely impact the profitability of companies in the portfolio. • The Manager may fail to meet its regulatory requirements on ESG, including climate risk, in relation to the Company. • Higher degree of valuation and performance uncertainties and liquidity risks.	• Fidelity has adopted a sophisticated and comprehensive system for analysing ESG risks, including climate risk, in investee companies. • The Portfolio Manager is active in analysing the effects of ESG when making investment decisions. • The Company is not labeled as an ESG product.	Stable
Key Person Risk	• Loss of the Portfolio Manager or other key individuals could lead to potential performance and/or operational issues.	• Succession planning for key dependencies. • Depth of the team within Fidelity. • Experience of the analysts covering the Company's investments.	Stable

Other risks facing the Company include:

Tax and Regulatory Risks
There is a risk of the Company not complying with the regulatory requirements of the Guernsey Financial Services Commission, UK listing rules, corporate governance requirements or local tax requirements that could result in loss of status as an Authorised Closed Ended Investment Scheme, becoming subject to additional tax charges or to exclusion from trading in particular markets.

The Board monitors tax and regulatory changes at each Board meeting and through active engagement with regulators and trade bodies by the Manager.

Strategic Report continued

Operational Risks
The Company relies on a number of third-party service providers, principally the Manager, Registrar and Custodian. It is dependent on the effective operation of the Manager's control systems and those of its service providers with regard to the security of the Company's assets, dealing procedures, accounting records and the maintenance of regulatory and legal requirements. The Registrar and Custodian are all subject to a risk-based programme of internal audits by the Manager. In addition, service providers' own internal control reports are received by the Board on an annual basis and any concerns are investigated. Risks associated with these service providers is rated as low, but the financial consequences could be serious, including reputational damage to the Company.

Professional negligence liability risks
The requirement to cover potential liability risks arising from professional negligence is covered by the Manager's own funds. Sufficient capital above the regulatory limit is held which is monitored by the board of the Manager.

VIABILITY STATEMENT

In accordance with provision 35 of the 2019 AIC Code of Corporate Governance the Directors have assessed the prospects of the Company over a longer period than the twelve month period required by the "Going Concern" basis. The Company is an investment fund with the objective of achieving long-term capital growth from an actively managed portfolio made up primarily of securities and financial instruments providing exposure to emerging market companies, both listed and unlisted. The Board considers long-term to be at least five years, and accordingly, the Directors believe that five years is an appropriate investment horizon to assess the viability of the Company, although the life of the Company is not intended to be limited to this or any other period. In making an assessment on the viability of the Company, the Board has considered the following:

- The ongoing relevance of the investment objective in prevailing market conditions;
- The Company's NAV and share price performance;
- The principal and emerging risks and uncertainties facing the Company as set out above and their potential impact;
- The future demand for the Company's shares;
- The Company's share price discount to its NAV;
- The liquidity of the Company's portfolio;
- Consideration of the continuation vote in 2026;
- The level of income generated by the Company; and
- Future income and expenditure forecasts.

The Company has assumed for the purposes of the viability statement that the continuation vote in 2026 would be passed.

The Company's performance for the five year reporting period to 30 June 2024 lagged the Benchmark Index, with a NAV total return of +3.1%, and a share price total return of +2.3% compared to the Benchmark Index total return of +18.2%.

The Board regularly reviews the investment policy and considers whether it remains appropriate. The Board has concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five years based on the following considerations:

- The Investment Manager's compliance with the Company's investment objective and policy, its investment strategy and asset allocation;
- The fact that the portfolio comprises sufficient readily realisable securities which can be sold to meet funding requirements if necessary; and
- The ongoing processes for monitoring operating costs and income which are considered to be reasonable in comparison to the Company's total assets.

When considering the risk of under-performance, a series of stress tests were carried out including in particular the effects of any substantial future falls in investment value on the ability to maintain dividend payments and repay obligations as and when they arise.

In preparing the Financial Statements, the Directors have considered the impact of climate change, particularly in the context of the climate change risk identified within the ESG Risk on page 24. The Board has also considered the impact of regulatory changes and significant market events and how this may affect the Company. In addition, the Directors' assessment of the Company's ability to operate in the foreseeable future is included in the Going Concern Statement which is included in the Directors' Report on page 35.

Promoting the Success of the Company
The Company is not required to comply with the provisions of the UK Companies Act 2006, but it is a requirement of the AIC Code of Corporate Governance to report upon Section 172 of this statute irrespective of domicile. Section 172 recognises that Directors of a company must act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to the likely consequences of any decision in the long-term; the need to foster relationships with the Company's suppliers, customers and others; the impact of the Company's operations on the community and the environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the Company.

Strategic Report continued

As an externally managed Investment Company, the Company has no employees or physical assets, and a number of the Company's functions are outsourced to third parties. The key outsourced function is the provision of investment management services by the Manager, but other professional service providers support the Company by providing administration, custodian, banking and audit services. The Board considers the Company's key stakeholders to be the existing and potential shareholders, the external appointed Manager and other third-party professional service providers. The Board considers that the interest of these stakeholders is aligned with the Company's objective of delivering long-term capital growth to investors, in line with the Company's stated objective and strategy, while providing the highest standards of legal, regulatory and commercial conduct.

The Board, with the Portfolio Manager, sets the overall investment strategy and reviews this regularly. In order to ensure good governance of the Company, the Board has set various limits on the investments in the portfolio, whether in the maximum size of individual holdings, the use of derivatives, the level of gearing and others. These limits and guidelines are regularly monitored and reviewed and are set out on pages 20 and 21.

The Board places great importance on communication with shareholders and is committed to listening to their views. The primary medium through which the Company communicates with shareholders is through its Annual and Half Year Financial Reports. Monthly factsheets are also produced. Company related announcements are released via the Regulatory News Service ('RNS') to the London Stock Exchange. All of the aforementioned information is available on the Company's website **www.fidelity.co.uk/emergingmarkets**. Shareholders may also communicate with Board members at any time by writing to the Company Secretary at FIL Investments International, Beech Gate, Millfield Lane, Tadworth, Surrey KT20 6RP or by email at **investmenttrusts@fil.com**. The Portfolio Managers meet with major shareholders, potential investors, stock market analysts, journalists and other commentators throughout the year. These communication opportunities help inform the Board in considering how best to promote the success of the Company over the long-term.

The Board seeks to engage with the Manager and other service providers and advisers in a constructive and collaborative way, promoting a culture of strong governance, while encouraging open and constructive debate, in order to ensure appropriate and regular challenge and evaluation. This aims to enhance service levels and strengthen relationships with service providers, with a view to ensuring shareholders' interests are best served, by maintaining the highest standards of commercial conduct while keeping cost levels competitive.

Whilst the Company's direct operations are limited, the Board recognises the importance of considering the impact of the Company's investment strategy on the wider community and environment. The Board believes that a proper consideration of ESG issues aligns with the Company's investment objective to deliver long-term growth in both capital and income, and the Board's review of the Manager includes an assessment of their ESG approach.

In addition to ensuring that the Company's investment objective was being pursued, key decisions and actions taken by the Directors during the reporting year, and up to the date of this report, have included:

- **Marketing & PR**
  The Board has been proactive in its efforts to promote the success of the Company. It has worked closely with the Manager, utilising the Manager's extensive marketing capabilities, in combination with the Company's appointed stockbrokers, and public relations firm to execute a comprehensive promotional programme for the Company.

- **Discount Control – Share Buybacks**
  In November 2023 the Company announced a share buyback programme to address the discount to NAV at which the Company's shares trade with the ambition that it may ultimately be maintained in single digits in normal market conditions on a sustainable basis.

- **Discount Control – Tender Offer**
  In recognition of the imbalance between demand and supply of its shares the Company undertook a tender offer for 14.99% of its issued share capital in March 2024. The tender was priced at a 2% discount to the Net Asset Value per Share as at 6.00 p.m. on 22 March 2024 and resulted in 13,531,881 participating preference shares being repurchased by the Company and cancelled.

- **Dividend**
  The decision to recommend a dividend of $0.19 per Participating Preference Share in respect of the year ended 30 June 2023 (2022: $0.16). Shareholders approved the dividend at the 2023 AGM.

Board Diversity

The Board's overriding intention is to ensure that it is made up of the best combination of people in order to achieve long-term capital growth for the Company's shareholders from an actively managed portfolio of investments. To this effect, the Board, as part of its succession plan, will continue to appoint individuals who, together as a Board, will aim to ensure the continued optimal promotion of the Company in the marketplace.

Strategic Report continued

The table below reports the gender diversity of the Board as at 30 June 2024.

Gender Reporting

	Number of Board Members	Percentage of the Board	Number of Senior Board Positions (Senior Independent Director and Committee Chair)
Men	3	60%	2
Women	2	40%	1

The Board's composition has met the target of 40% of women on FTSE 350 company boards ahead of the 2025 deadline as set by the FTSE Women Leaders Review. The Board also meets the FCA target that one of the senior Board positions is held by a woman. This senior position is held by Heather Manners as the Chairman of the Board and the Nomination Committee.

The Board meets the recommendations of the Parker Review Committee that each FTSE 250 company should have at least one director from an ethnic minority background by 2024 so as to improve the ethnic and cultural diversity of UK company boards as can be seen from the table below. The Board also meets the FCA targets that at least one Director is from an ethnic minority background.

Ethnic Background Reporting

	Number of Board Members	Percentage of the Board	Number of Senior Board Positions (Senior Independent Director and Committee Chair)
White British or other White (including minority white groups)	4	80%	3
Asian/Asian British	1	20%	0

CORPORATE AND SOCIAL RESPONSIBILITY

Environmental, Social and Governance ("ESG") in the Investment Process

The Board has contracted with the Manager to provide the Company with investment management services. The Board believes that ESG considerations are an important input into the assessment of the value of its investments. The investment universe is undergoing significant structural change and is likely to be impacted by increasing regulation as a result of climate change and other social and governance factors. The Board is committed to reviewing how the Manager applies ESG factors in the investment process. The Fidelity group of companies (including the Manager and Investment Manager) sets out its commitment to responsible investing and provides a copy of its detailed Responsible Investing at **www.fidelity.co.uk/responsible-investing**.

Socially Responsible Investment

The Manager's primary objective is to produce superior financial returns for the Company's shareholders. It believes that high standards of corporate social responsibility (CSR) make good business sense and have the potential to protect and enhance investment returns.

Corporate Engagement

The Board believes that the Company should, where appropriate, take an active interest in the affairs of the companies in which it invests and that it should exercise its voting rights at their general meetings. It delegates the responsibility for corporate engagement and shareholder voting to the Investment Manager who updates the Board on any issues and activities. These activities are reviewed regularly by the Manager's corporate governance team.

Streamlined Energy and Carbon Reporting (SECR)

As an investment company with all its activities outsourced to third parties, the Company's own direct environmental impact is minimal. The Company has no premises, consumes no electricity, gas or diesel fuel and consequently does not have a measurable carbon footprint. The Company is categorised as a low energy user (less than 40MWH) under the Streamlined Energy & Carbon Reporting regulations and therefore is not required to disclose any energy and carbon information in this Annual Report.

Task Force on Climate-Related Financial Disclosures (TCFD)

Product reports of Task Force on Climate-related Financial Disclosures (TCFD) can be obtained via the Additional Information section on the Company's website at **www.fidelity.co.uk/emergingmarkets.**

Future Developments

Some trends likely to affect the Company in the future are common to many investment companies together with the impact of regulatory change and emerging risks. The factors likely to affect its future development, performance and position are set out in the Chairman's Statement and the Portfolio Manager's Review on pages 2 to 8.

By Order of the Board

FIL Investments International
Secretary

8 October 2024

Board of Directors

Heather Manners
Chairman of the Board and Nomination Committee
Appointed 5 May 2022
Appointed Chairman of the Board on 8 December 2022.

N

Heather Manners (British) is an award-winning market professional with some 34 years' experience of investment in Asia, mostly recently, and for the past 15 years as the co-founder, CEO and CIO of Prusik Investment Management. Heather is also a non-executive director of Montanaro Asset Management and Collidr Asset Management respectively and previously was a non-Executive Director of Aberdeen New Dawn. Heather began her career at Henderson Global Investors Limited where, latterly, she was Head of Asia and Emerging Markets. Ms Manners resides in the UK.

Mark Little
Audit and Risk Committee Chairman
Appointed 17 January 2024
Appointed Chairman of Audit and Risk Committee 17 January 2024

A N

Mark Little (British) is a Chartered Accountant with extensive financial services experience in fund management, research, and private banking, and has a strong understanding of compliance and regulation in the modern financial services world.

He is a non-executive Director and Chairman of the audit committees of BlackRock Smaller Companies Trust plc, Majedie Investments Plc and Abrdn Equity Income Trust plc. Previously Mr Little was a non-executive Director and Chair of the Audit and Risk Committee of STS Global Income & Growth Trust plc, Managing Director, Scotland & Northern Ireland at Barclays Wealth (formerly Gerrard) and Global Head of Automotive Research at Deutsche Bank. Mr Little has a wealth of experience in the financial services sector and began his career as a fund manager with Scottish Widows Investment Management after qualifying as a chartered accountant with Price Waterhouse in 1991. He subsequently worked as Global Head of Automotive Research for Deutsche Bank and joined Barclays Wealth in 2005, where he became Managing Director of Barclays Wealth (Scotland and Northern Ireland).

Mr Little is an Accountancy and Economics graduate from Aberdeen University.

Torsten Koster
Senior Independent Director
Appointed 1 July 2020

A N

Torsten Koster (Swiss) has over 30 years' experience working for large multi-national companies. He spent two periods at Nestle SA (1991-1997 and 2003-2016). During his second term Torsten held the positions of Chief Financial Officer Nestle Russia & Eurasia between 2007-2011 and Chief Financial Officer Nestle Nespresso SA from 2011-2016. He also held the positions of Chief Financial Officer at Lukoil SA for three years from 1998-2000 and subsequently at Elca Informatique SA between 2000-2003. In 2016 Torsten founded his own consultancy business, Baussan Concept SA which specialized in providing due diligence and portfolio services to European and US based private equity firms.

Torsten has held a number of Board member roles. Director of SodaStream International from 2016-2018 (NASDAQ:SODA), Vice Chairman of Natra SA, Spain from 2019-2022. He is Chairman of the Board of Banque Heritage SA and and Director of ECOM Agroindustrial SA (both of which are unlisted entities). He holds a Masters degree from HEC Lausanne. Mr Koster resides in Switzerland.

Katherine Tsang
Director
Appointed 19 July 2017

A N

Katherine Tsang (Canadian) spent 22 years with Standard Chartered Bank, latterly in the role of Chairperson of Greater China, before retiring in 2014. Following her retirement, Ms Tsang founded Max Giant that trades in different markets as well as making direct investments in Asia. Currently, Ms Tsang is the Chief Executive Officer of HK Acquisition Corporation, she is also an Independent Non-Executive Director at China CITIC Bank International Limited, Fosun International Limited and Budweiser Brewing Company APAC Limited.

She also serves as a member of the Advisory Council for China of the City of London, and is an honorary Board member of Shanghai Jiao Tong University. Previous Directorship has included serving as an independent Non-Executive Director of Gap Inc., and Baoshan Iron & Steel Co. Limited, a member of the World Economic Forum's Global Agenda Council on China, and a member of Sotheby's Advisory Board. Ms Tsang resides in Hong Kong.

Committee membership key
A Audit and Risk N Nomination Committee Chair

Board of Directors continued

Dr Simon Colson
Director
Appointed 1 July 2019

A N

Dr Simon Colson (British) has over 30 years' experience in financial markets, working in investment banking, investment management and financial consulting. From 1995-2001 he was Managing Director, Deutsche Bank AG London, in charge of closed-end fund origination and distribution, and in previous roles was responsible for the launch, restructuring and repurposing of a significant number of investment companies. From 2002-2005 he was a non-executive director of The Association of Investment Companies. In 2002 he founded his own FCA regulated consulting and distribution business which raised assets for emerging managers across a range of traditional and alternative asset classes (including closed-end funds). In 2017 he relinquished his FCA license to concentrate on unregulated advisory and non-executive work.

He is a qualified Medical Doctor and holds an MBA in Finance & Investment from Bayes Business School (University of London). Dr Colson resides in the UK.

Committee membership key
A Audit and Risk N Nomination ■ Committee Chair

Directors' Report

The Directors present their thirty-fifth Annual Financial Report of the Company, covering the year ended 30 June 2024.

FINANCIAL PERFORMANCE

The results and reserve movements for the year are set out in the Statement of Comprehensive Income and Statement of Financial Position Income on pages 45 and 47 and the Notes to the Financial Statements on pages 49 to 76.

Results and Dividends

The profit for the year for the Company amounted to $126,065,000, this compared to a profit of $14,549,000 in the previous year. Refer to the Portfolio Manager's Review on pages 4 to 8 for an explanation of the Company's performance.

Corporate Governance

The Corporate Governance Statement forms part of this report and can be found on pages 31 to 35.

The Directors propose a dividend of $0.20 per Participating Preference Share in respect of the year ended 30 June 2024 (2023: $0.19). If approved by shareholders at the AGM on 10 December 2024, the dividend will be payable on 13 December 2024 to shareholders on the register at close of business on 15 November 2024. The ex-dividend date is 14 November 2024.

Capital Values

At 30 June 2024, the value of Equity Shareholders' Funds was $753,446,000 (2023: $796,734,000) a decrease of $43,288,000. The Net Asset Value per Participating Preference Share was $10.09 (2023: $8.75).

Key Performance Indicators

The Financial Highlights and Performance section pages inside the front cover show the Company's Key Performance Indicators including its performance and discount to its NAV over the last five years.

SHAREHOLDERS

Notifiable Interests in the Company's Voting Right

During the financial year, the following shareholders declared a notifiable interest in the Company's voting rights:

Shareholders	Participating Preference Shares Held	% Shares held in Issue	Date of Notification
Saba Capital Management, L.P.	4,354,517	5.67	03 April 2024
City of London Investment Management Company Limited	21,352,362	27.98	16 May 2024

The following updates to notifiable interests in the Company's voting rights have been declared post the financial year-end:

Shareholders	Participating Preference Shares Held	% Shares held in Issue	Date of Notification
City of London Investment Management Company Limited	20,917,518	28.02	02 July 2024
City of London Investment Management Company Limited	20,840,922	27.96	03 July 2024
City of London Investment Management Company Limited	20,327,509	28.01	13 September 2024
City of London Investment Management Company Limited	20,245,652	27.96	18 September 2024
City of London Investment Management Company Limited	20,295,925	28.03	19 September 2024

As at 31 August 2024, the Board is aware of the following significant holdings in the Company

Shareholder	Participating Preference Shares Held	% Shares in Issue
City of London Investment Management Company Limited	20,064,023	27.52
Strathclyde PF	16,139,666	22.13
Allspring Global Investments	8,865,271	12.16
Lazard Asset Management	6,821,358	9.35

Note: All of the above % Shares in Issue are calculated based on the number of shares in issue with voting rights as at 31 August 2024, being 72,916,888 Participating Preference Shares.

Corporate Governance Statement

This Corporate Governance Statement forms part of the Directors' Report. The Company is committed to maintaining high standards of corporate governance. Accordingly, the Board has put in place a framework for corporate governance which it believes is appropriate for an investment company.

The Board is accountable to shareholders for the governance of the Company's affairs. The Directors use this Report to detail the Company's corporate governance statement.

The Company is a member of the Association of Investment Companies ('AIC') and the Board has considered the Principles and Provisions of the 2019 AIC Code of Corporate Governance ('AIC Code'). The AIC Code addresses the Principles and Provisions set out in the 2018 UK Corporate Governance Code ('UK Code'), as well as setting out additional Provisions on issues that are of specific relevance to the Company. The Board considers that reporting against the Principles and Provisions of the AIC Code, which has been endorsed by the Financial Reporting Council and the Guernsey Financial Services Commission provides more relevant information to shareholders.

The Company is an Authorised Closed Ended Investment Scheme regulated by the Guernsey Financial Services Commission ('GFSC'). The GFSC requires compliance with the principles set out in the Finance Sector Code of Corporate Governance ('Guernsey Code'), or alternative codes accepted by the GFSC, in the context of the nature, scale and complexity of the business.

As a Guernsey incorporated company with a premium listing on the London Stock Exchange within the FTSE 250, the Company is required to comply with Listing Rule 9.8.7 (for overseas incorporated companies). This requires the Company to state how it has applied the main principles set out in the UK Code and whether it has complied with these provisions throughout the accounting period. The AIC Code can be found on the AIC's website at www.theaic.co.uk and the UK Code on the FRC's website at www.frc.org.uk.

Statement of Compliance

The Board confirms that during the year under review, the Company has complied with the provisions of the AIC Code and therefore, insofar as they apply to the Company, with the provisions of the 2018 UK Code and Guernsey Code except as noted below.

- The role of Chief Executive

  Since all Directors are non-executive and day-to-day management responsibilities were delegated to the Manager, Investment Manager, and other third party service providers, the Company does not have a Chief Executive.

- Executive Directors' remuneration

  As the Board has no executive Directors, it is not required to comply with the principles of the UK Code in respect of executive Directors' remuneration and does not have a Remuneration Committee.

- Nomination Committee

  All Directors are members of the Nomination Committee. Given the size of the Board, the Board believes that it is important that all Directors are involved in the evaluation and appointment of new Directors from an early stage.

- Internal audit function

  As the Company has no employees and delegates its day-to-day operations to the Manager, Investment Manager, and other third party service providers, the Board has determined that there is no requirement for an internal audit function. The Directors annually review whether a function equivalent to internal audit is needed and will continue to monitor the Company's systems of internal controls in order to provide assurance that they operate as intended.

- Workforce policies and practices

  As the Company has no employees and delegates its day-to-day operations to the Manager, Investment Manager, and other third party service providers, it is not required to comply with this provision.

The Board is committed to the continuing compliance with the AIC Code.

REGULATORY DISCLOSURES

The Alternative Investment Fund Managers Directive ('AIFMD')

FIL Investment Services (UK) Limited is organised under the laws of England and Wales and qualifies as an EU alternative investment fund manager ('AIFM'). Article 22 of AIFMD requires certain qualitative and quantitative disclosures on remuneration to assist the understanding of the risk profile of the Company. Details of Fidelity International's Remuneration Policy during the year under review and amounts attributable to the Company are available on page 85.

UK Listing Authority Listing Rules ('LR') – compliance with rule 9.8.4

None of the disclosures required under LR 9.8.4 are applicable to the Company.

Corporate Governance Statement continued

ANNUAL GENERAL MEETING

This year's AGM will be held on Tuesday, 10 December 2024 at 11 a.m. at the registered office of the Company, Level 3, Mill Court La Charroterie, St Peter Port, Guernsey GY1 1EJ.

In addition to the ordinary business to be conducted at the meeting, the following special business will be proposed:

Authority to purchase own shares

Special Resolutions – requiring 75% of votes in favour
Resolution 12

The Directors are seeking to renew the authority to purchase shares in the market of up to 10,755,137 Participating Preference Shares (respectively equivalent to 14.99 per cent. of the shares of the issued number of Participating Preference Shares at the date of this document or, if lower, such number as is equal to 14.99% of the issued number of Participating Preference Shares at the date of passing the resolution).

The maximum price which may be paid for a Participating Preference Share is an amount equal to 105% of the average of the middle market quotations for a Participating Preference Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Participating Preference Share is purchased.

The authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2024 unless such authority is renewed prior to such time.

The Company may make a contract to purchase Participating Preference Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of Participating Preference Shares pursuant to any such contract.

Resolution 13

Resolution 13 disapplies the pre-emption rights contained in the Articles so that the Board has authority to allot and issue (or sell from treasury) shares for cash on a non-pre-emptive basis in respect of 7,188,217 Participating Preference Shares (equivalent to 10 per cent. of the Participating Preference Shares in issue as at the latest practicable date prior to the date of publication of this document (excluding in each case shares held in treasury)). The disapplication expires on the date falling fifteen months after the date of passing of Resolution 13 or the conclusion of the next annual general meeting of the Company, whichever is the earlier and permits the Board to allot and issue shares (or sell shares from treasury) after expiry of the disapplication if it has agreed to do so beforehand. Shares issued (or sold from treasury) pursuant to the disapplication would not be issued at a price that is less than the prevailing net asset value per share of the relevant class.

The resolution to approve disapplication of pre-emption rights in respect of issues of shares for cash is set at 10 per cent. of the Participating Preference Shares in issue (excluding shares held in treasury). As the issue of such shares (or sale from treasury) by the Company on a non-pre-emptive basis is subject to the additional qualification that the relevant shares must be issued for a price at least equal to the prevailing net asset value for the relevant class of shares, the Board believes that the existing authority to issue new shares for cash equal to 10 per cent. of the Participating Preference Shares in issue (excluding shares held in treasury) is appropriate.

The Directors have no present intention to exercise the authority conferred by Resolution 13.

Recommendation

The Board considers that the passing of all resolutions being put to the Company's AGM would be in the best interest of the Company and its shareholders as a whole. It therefore recommends that shareholders vote in favour of resolutions 1 to 13, as set out in the Notice of Annual General Meeting.

Corporate Governance Statement continued

THE BOARD

Board Composition

As at the date of this report, the Board, chaired by Heather Manners, consists of five non-executive Directors. Julian Healy, Director and Chairman of the Audit and Risk Committee retired from the Board on 17 January 2024 due to personal reasons and was succeeded by Mark Little on the same date. The Directors believe that, between them, they have good knowledge and wide experience of business in the emerging markets region, unlisted investments and their valuations, and of investment companies, and that the Board has an appropriate balance of skills, experience, independence and knowledge of the Company and length of service to discharge its duties and provide effective strategic leadership and proper governance of the Company.

Torsten Koster is the Senior Independent Director and fulfils the role as a sounding board for the Chairman, intermediary for the other Directors as necessary and acts as a channel of communication for shareholders in the event that contact through the Chairman is inappropriate. Biographical details of all Directors are on pages 28 and 29.

Training, Development and Board Evaluation

On appointment, Directors receive a full, formal and tailored induction. Directors are also regularly provided with key information on the Company's policies, regulatory and statutory requirements and internal controls. Changes affecting Directors' responsibilities are advised to the Board as they arise. Directors also regularly participate in relevant training and industry seminars. Training and development needs are considered as part of the evaluation process and are agreed with the Chairman.

The Board evaluates its performance on an annual basis and considers the balance of skills, experience, length of service and the promotion of diversity and inclusion as part of this process. An evaluation of the Board, its Committees and the Manager was undertaken in the form of written questionnaires and discussions.

This process is considered to be constructive in terms of identifying areas for improving the functioning and performance of the Board and its Committees and action is taken on the basis of the results. It was concluded that the Chairman, each Director and the Manager had been effective and continues to demonstrate commitment to their roles.

In accordance with the AIC Code, consideration is given to the engagement of an external evaluator on a regular basis. An independent evaluation of the Board's performance was last conducted in June 2023 by Stephenson & Co. The next independent Board evaluation is due to be conducted in 2025.

The Directors consider that since they do not have executive roles, it is not necessary to establish a separate Remuneration Committee. There is also no separate Management Engagement Committee as the Board, as a whole, regularly meets with the Manager, the Administrator and the Company Secretary to discuss their performance.

The Board regularly reviews both the performance of, and the contractual arrangements with FIL Investments International as Investment Manager. The Management Agreement sets out matters over which Fidelity International has authority and includes management of the Company's assets and the provision of administrative duties.

The Board reviews the performance of, and the contractual arrangements with the Administrator and the Custodian. The Board is satisfied that the continuing appointment of the Administrator and the Custodian is in the best interests of shareholders.

The Board meets at least four times during the year and between these meetings there is regular contact with the Company Secretary, FIL Investments International, who provides the Board with appropriate and timely information. Attendance at those meetings is shown on on page 34.

Corporate Governance Statement continued

Board Responsibilities
The Board has overall responsibility for the Company's affairs and for promoting the long-term success of the Company. All matters which are not delegated to the Company's Investment Manager under the Management Agreement are reserved for the Board's decision. Matters reserved for the Board and considered at meetings include decisions on strategy, management, structure, capital, share issues, share repurchases, gearing, financial reporting, risk management, investment performance, share price discount, corporate governance, Board appointments, and the appointment of the Investment Manager and Company Secretary. The Board also considers shareholder issues including communication and investor relations. All Directors are independent of the Investment Manager and considered to be free from any relationship which could materially interfere with the exercise of their independent judgement. The Board follows a procedure of notification of other interests that may arise as part of considering any potential conflicts and is satisfied that none has arisen in the year under review. All Directors are able to allocate sufficient time to the Company to discharge their responsibilities fully and effectively. Each Director is entitled to take independent professional advice, at the Company's expense, in the furtherance of their duties.

Directors' Insurance and Indemnification
Directors' and Officers' liability insurance cover is held by the Company to cover Directors against certain liabilities that may arise in the course of their duties.

Tenure Policy
Directors appointed to the Board are subject to election and subsequent annual re-election by shareholders at Annual General Meetings and normally serve a term of up to nine years from election.

Company Secretary and Administrator
FIL Investments International is appointed as Company Secretary and JP Morgan Administration Services (Guernsey) Limited is the Company's Administrator. Both have been in office for the whole year under review.

Board Meetings
The Board considers that it meets sufficiently regularly to discharge its duties effectively and the table below gives the attendance record for the meetings held during the reporting year. The Portfolio Manager and key representatives of the Investment Manager are in attendance at these meetings.

OTHER MATTERS

Voting Policy
The Board has authorised Fidelity to exercise the Company's voting rights in respect of resolutions proposed by investee companies.

Details of Fidelity's voting policy can be found at **www.fidelity.co.uk/responsible-investing**.

Borrowing Facilities
The Articles of Incorporation permit the Company to borrow up to 10% of the value of its Net Assets. No borrowing facility was used in either 2023 or 2024.

Discount/Premium to Net Asset Value
The Board reviews the level of the discount or premium between the middle market price of the Company's Participating Preference Shares and their net asset value on a regular basis.

European Union
The Company is a Guernsey based authorised closed-ended investment company listed in the UK and traded on the London Stock Exchange.

The European Securities and Markets Authority ('ESMA') has approved the co-operation arrangements between the FCA and GFSC.

Board's Attendance Record for the Reporting Year

	Regular Board Meetings	Audit and Risk Committee Meetings	Nomination Committee Meetings
Heather Manners	4/4	3/3(1)	1/1
Dr Simon Colson	4/4	3/3	1/1
Julian Healy	2/2(2)	1/1(2)	1/1
Torsten Koster	4/4	3/3	1/1
Mark Little	2/2(3)	2/2(3)	1/1
Katherine Tsang	4/4	3/3	1/1

(1) Attended the Audit and Risk Committee by invitation but is not a Committee member.
(2) Retired on 17 January 2024.
(3) Appointed 17 January 2024.

Corporate Governance Statement continued

Going Concern

The Financial Statements of the Company have been prepared on a going concern basis.

The Directors have considered the Company's investment objective, risk management policies, liquidity risk, credit risk, capital management policies and procedures, the nature of its portfolio and its expenditure and cash flow projections.

The Directors, having considered the liquidity of the Company's portfolio of investments (being mainly securities which are readily realisable) stress testing performed and the projected income and expenditure, are satisfied that the Company is financially sound and has adequate resources to meet all of its liabilities and ongoing expenses and continue in operational existence for the foreseeable future. The Board has therefore concluded that the Company has adequate resources to continue to adopt the going concern basis for the period to 31 October 2025 which is at least twelve months from the date of approval of the Financial Statements. The prospects of the Company over a period longer than twelve months can be found in the Viability Statement on page 25.

Signed on behalf of the Board

Heather Manners
Chairman
8 October 2024

Directors' Remuneration Report

The Directors of the Company are non-executive and by way of remuneration are entitled to receive fees for their services which shall not exceed $400,000, exclusive of relevant expenses, in aggregate per annum. This was approved by shareholders at the AGM on 8 December 2022 and can only be amended by shareholder approval at a general meeting.

Directors' Remuneration

The annual fee structure with effect from 1 July 2024 is as follows: Chairman – £52,000 (2023: £50,000); Senior Independent Director – £39,500 (2023: £38,000); Chairman of the Audit and Risk Committee – £39,500 (2023: £38,000); and Director – £37,500 (2023: £36,000). Directors' remuneration is reviewed on an annual basis to ensure that it remains competitive and sufficient to attract and retain the quality of Directors needed to manage the Company successfully.

Other than fees and reasonable out-of-pocket expenses incurred in attending to the affairs of the Company, the Directors are not eligible for any performance related pay or benefits, pension related benefits, share options, long-term incentive schemes or other taxable benefits. The Directors are not entitled to exit payments and are not provided with any compensation for loss of office. Directors fees are paid quarterly in arrears. Directors would not serve a notice period if their appointment were to be terminated.

An ordinary resolution to approve the Directors' Remuneration Report will be put to shareholders at the AGM on 10 December 2024.

Directors' Service Contracts

No Director has a contract of service with the Company. Accordingly, the Directors are not entitled to any compensation in the event of termination of their appointment or loss of office, other than the payment of any outstanding fees. The Board does not consider it appropriate that Directors should be appointed for a specific term. All Directors are subject to re-election by shareholders annually A new Director appointed would be subject to election by shareholders at the next AGM following their appointment.

Directors' Emoluments for the Year

The fees paid to each Director for the years ended 30 June 2024 and 2023 are shown in the table below with any year-on-year differences being explained:

	30 June 2024	30 June 2023
Heather Manners[(1)]	£50,000	£38,438
Julian Healy[(2)]	£28,500	£19,442
Torsten Koster	£38,000	£35,390
Dr Simon Colson	£36,000	£31,667
Katherine Tsang	£36,000	£31,667
Mark Little[(3)]	£17,329	–
	£205,829	**£156,604**

(1) Appointed as a Director on 5 May 2022 and Chairman on 8 December 2022
(2) Appointed as a Director on 12 December 2022 and Audit and Risk Committee Chairman on 4 May 2023, retired as Director and Audit and Risk Committee Chairman on 17 January 2024 due to personal reasons.
(3) Appointed as Director and Audit and Risk Committee Chairman on 17 January 2024.

No additional fees or expenses were paid to Directors in respect of the financial year ended 30 June 2024.

Directors' Interests

The following Directors had a beneficial interest (including family interests) in the share capital of the Company. The table shows the number of Participating Preference Shares held by each Director as at 30 June 2024 and 2023:

Director	30 June 2024	30 June 2023
Heather Manners	10,000	10,000
Torsten Koster	15,000	15,000
Dr Simon Colson	4,416	4,416
Julian Healy[(1)]	–	10,000
Katherine Tsang	0	0
Mark Little[(2)]	0	–

(1) Appointed 12 December 2022, retired as Director and Audit and Risk Committee Chairman on 17 January 2024 due to personal reasons.
(2) Appointed as Director and Audit and Risk Committee Chairman on 17 January 2024.

AGM Resolution

An ordinary resolution to approve this Remuneration Report will be put to shareholders at the forthcoming AGM.

Statement of voting at the last AGM

The following table sets out the votes received at the AGM of the shareholders of the Company, held on 8 December 2023 in respect of the approval of the Directors' Remuneration Report.

Votes cast for		Votes cast against			
Number	%	Number	%	Total votes cast	Number of votes withheld
55,939,687	99.9	3,531	0.0	55,943,420	202

For and on behalf of the Board

Heather Manners
Chairman
8 October 2024

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Financial Report in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union to meet the requirements of applicable law and regulations.

Under company law the Directors must not approve the financial statements unless they are satisfied that taken as a whole, they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies (Guernsey) Law, 2008. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The work carried out by the auditor does not include consideration of the maintenance and integrity of the website and, accordingly, the auditor accepts no responsibility for any changes that have occurred to the accounts when they are presented on the website.

The Directors who hold office at the date of approval of this Directors' Report confirm that so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and that each Director has taken all the steps he/she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Responsibility statement of the Directors in respect of the Annual Report

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Chairman's statement, Strategic Report and Portfolio Managers' Review includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal and emerging risks and uncertainties that the Company faces.

The Directors consider the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

There were no instances where the Company is required to make disclosures in respect of UK Listing Rule 6.6.1 during the financial period under review.

For and on behalf of the Board

Heather Manners
Chairman
8 October 2024

Report of the Audit and Risk Committee

I am pleased to present the formal report of the Audit and Risk Committee (the "Committee") to shareholders. The primary responsibilities of the Committee are to ensure the integrity of the Company's financial reporting, the appropriateness of the risk management and internal controls processes and the effectiveness of the independent audit process and how this has been assessed for the year ended 30 June 2024.

The Board established the Committee which consists of all Directors, with the exception of the Chairman, Heather Manners. The Committee is chaired by Mark Little.

The Committee has formally delegated duties and responsibilities with written Terms of Reference, which are available on the Company's website.

Role and Responsibilities of the Committee
The Committee's authority and duties are clearly defined in its terms of reference which are available on the Company's pages of the Manager's website at **www.fidelity.co.uk/emergingmarkets**. These duties include:

- To monitor the integrity of the financial statements of the Company, including its annual and half-yearly reports and any other formal announcement relating to its financial performance;
- To review the Company's accounting policies and any significant financial reporting judgements;
- To monitor and review the adequacy and effectiveness of the internal financial control and risk management systems on which the Company is reliant;
- To review and approve statements to be included in the Annual Financial Report concerning controls and risk management;
- To report to the Board that they have carried out a robust assessment of the principal and emerging risks facing the Company;
- To provide advice to the Board on whether they consider the Annual Financial Report, taken as a whole, is fair, balanced and understandable;
- To make recommendations to the Board in relation to the appointment, re-appointment and removal of external auditors;
- To monitor the independence and objectivity of external auditors; and
- To review the audit fees, terms of engagement and provision of non-audit services by the external auditor.

The Committee usually meets three times a year to review the Annual and Half Year Financial Reports, audit timetable and other risk management and governance matters. It may meet more often if deemed necessary, or if required by the Company's auditors.

Significant accounting matters
During the review of the Company's financial statements for the year ended 30 June 2024, the Audit and Risk Committee considered the following matters to be significant issues, both of which were satisfactorily addressed:

Issue considered	How the issue was addressed
Valuation, existence and ownership of investments (including derivatives and unlisted investments) The valuation of investments (including derivatives and unlisted investments) is in accordance with Accounting Policy Note 2(b) on pages 50 and 51.	The Committee took comfort from the Custodian's reports that investment related activities are conducted in accordance with the Company's investment policy. The Committee received reports from the Manager and the Administrator which concluded that controls around the valuation, existence and ownership of investments operate effectively. The valuation of the Company's unlisted, suspended, and illiquid investments which are subject to fair value oversight by the Manager's Fair Value Committee ("FVC") were reviewed by the Committee. It receives reporting from the FVC and reviews the proposed valuation methodology to be adopted. Specifically, there are a number of current factors impacting the Company's Russian investments, such as markets being closed or with restrictions on trading in certain instruments or with certain counterparties due to the imposition of sanctions: at the period-end appropriate fair value adjustments to these Russian investments have been made as proposed by the FVC.

Report of the Audit and Risk Committee continued

Auditor independence and assessment
The Committee monitors the European and U.K. legislation regarding mandatory audit firm rotation and tendering to ensure compliance and an external tender was conducted in 2023.

As part of its review of the continuing appointment of the Auditor, the Committee considered the independence of the Auditor along with the effectiveness of the audit. The Auditor was asked to attest that KPMG and the audit team members were independent of the Company. KPMG also confirmed that they had not been engaged in the provision of any non-audit services to the Company during the year. Audit effectiveness was assessed by means of the Auditors' direct engagement with the Board at Committee meetings and also by reference to feedback from the Manager and Administrator. The Committee reviewed the Auditor's risk assessment and audit approach at the planning stage and were briefed on the fulfilment of that plan at the completion stage. The Board confirmed, the recommendation of the Committee, that the Auditors continued to be independent of the Company.

Auditors Appointment and Tenure
KPMG Channel Islands Limited ("KPMG") was re-appointed as the Company's Auditor ("the Auditor") on 8 December 2023 following a formal audit tender process in 2023. The Committee has reviewed the Auditor's independence and the effectiveness of the audit process prior to recommending its reappointment for a further year. The Auditor is required to rotate audit partners every five years and this is the second year that the Audit Partner, Rachid Frihmat, has been in place. The Committee will continue to review the Auditor's appointment each year to ensure that the Company is receiving an optimal level of service. There are no contractual obligations that restrict the Company's choice of auditor.

Audit Fees
The fees paid to KPMG in respect of audit services for the year ended 30 June 2024 were $73,500 (2023: $73,000). KPMG did not provide any non-audit services during the year (2023: None).

Internal Controls
The Board is responsible for the Company's system of internal control and for reviewing its effectiveness.

As there is delegation of daily operational activity, described below, there is no requirement for a direct internal audit function. The internal control systems are designed to meet the Company's particular needs and the risks to which it is exposed. Accordingly, the internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and by their nature can only provide reasonable and not absolute assurance against misstatement and loss.

The services provided to the Company by the Administrator, such as administration services, and accounting services reflect the system of financial and operating controls operating at the Administrator. The control regime for other services, such as the Manager, Investment Manager, Custodian and Registrar, reflect the internal controls operated by these respective service providers.

The Administrator provides semi-annual and annual financial statements based on the requirements of the Company. The financial statements are based on data from the Administrator's accounting system including the trial balance, net asset valuation, purchase and sales report and other investment schedules. All statements are reconciled and reviewed by the Administrator using pre-defined checklists and reviewed by the Manager prior to distribution.

In order for the Directors to review their effectiveness for the Company's business, an annual review of all outsourced functions has taken place. Their performance was monitored against obligations specified in the relevant contracts and was found to be in order.

Service providers report annually on the design and effectiveness of internal controls operating over the functions provided. Reports are reviewed by the Committee and any material findings are considered by the Board.

The Committee has carried out its annual assessment of the internal controls of the Company's service providers for the year ended 30 June 2024 and considered the internal control procedures to be adequate based on the findings of their respective ISAE 3402 SOC 1 Reports or AAF Reports.

For and on behalf of the Committee

Mark Little
Chairman of the Audit and Risk Committee
8 October 2024

Nomination Committee's Report

The Board has an established Nomination Committee which consists of all Directors, chaired by Heather Manners.

The Nomination Committee has formally delegated duties and responsibilities with written Terms of Reference, which are available on the Company's website **www.fidelity.co.uk/emergingmarkets**.

The responsibilities of the Nomination Committee are inter alia:

- To regularly review the structure, size and composition (including the length of service of the Board members, skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes.

- To give full consideration to succession planning for Directors, taking into account the challenges and opportunities facing the Company, the skills and expertise needed on the Board in the future and the promotion of diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.

- To be responsible for identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise and for overseeing the development of a diverse pipeline for succession.

Diversity

It is seen as a prerequisite that each member of the Board must have the skills, experience and character that will enable them to contribute to the effectiveness of the Board and the success of the Company. Subject to that overriding principle, diversity of experience and approach, including gender diversity, amongst Board members is of great value, and it is the Board's policy to give careful consideration to overall Board balance and diversity in making new appointments to the Board.

Composition and independence

As at 30 June 2024 the Board comprised of three male and two female Directors. All Directors are non-executive and independent of both the Company and the Investment Manager. Each Director is required to disclose any potential conflicts of interest at each Board meeting.

Tenure and Succession Planning

The policy on Board refreshment is to ensure continuity and stability with no more than one Board member retiring and one successor recruited in each calendar year. In line with the AIC Code guidelines for independent Directors, individuals will generally serve on the Board for no more than nine years, although the Chairman's term of office may be extended by a maximum of three additional years to a total of twelve years. In recruiting new Directors, the aim will always be to preserve or enhance the skill sets on the Board, taking account of the need to ensure age, gender and ethnic diversity.

Board re-election and appointments

The Nomination Committee makes recommendations to the Board for the continuation or cessation of service of Directors and reviews the tenure of Directors on a three year cycle. It also considers the election and re-election of Directors ahead of each AGM.

When appointing a new Director, the Board takes care to ensure that the new Director enhances the balance of skills, diversity and experience appropriate to the requirements of the Company and that a new Director has enough time available to properly fulfil their duties. All new Directors undertake a formal induction and onboarding process. The Directors also have access, where necessary in the furtherance of their duties, to independent professional advice at the Company's expense. Directors are initially appointed until the following Annual General Meeting when, under the Company's Articles of Incorporation, it is required that they be elected by shareholders.

During the year the Board engaged external recruitment consultant, Stephenson & Co, which has no connection with the Company, to facilitate the search for a new independent non-executive Director to join the Board following Julian Healy's retirement from the Board due to personal reasons. As a result of this process, Mark Little was appointed to the Board on 17 January 2024 as a non-executive Director and a member of the Audit and Risk Committee, and the Nomination Committee. Mr Little will stand for election by shareholders at the forthcoming AGM on 10 December 2024.

All the Directors are retiring in accordance with the AIC Code and will offer themselves for election or re-election. As each Director has maintained their effectiveness and commitment to the Company, the Board endorses them and recommends their re-election to the shareholders.

Heather Manners
Chairman of the Nomination Committee
8 October 2024

Independent Auditor's Report to the Members of Fidelity Emerging Markets Limited

Our opinion is unmodified
We have audited the financial statements of Fidelity Emerging Markets Limited (the "Company"), which comprise the statement of financial position as at 30 June 2024, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements:

- give a true and fair view of the financial position of the Company as at 30 June 2024, and of the Company's financial performance and cash flows for the year then ended;
- are prepared in accordance with International Financial Reporting Standards as adopted by the EU; and
- comply with the Companies (Guernsey) Law, 2008.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as required by the Crown Dependencies' Audit Rules and Guidance. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Key audit matters: our assessment of the risks of material misstatement
Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In arriving at our audit opinion above, the key audit matter was as follows (unchanged from 2023):

Valuation of financial assets at fair value through profit or loss, and derivatives assets and liabilities	The risk	Our response
Financial assets at fair value through profit or loss: $696,753,000; (2023: $778,608,000) Derivative assets: $25,399,000; (2023: $9,468,000) Derivative liabilities: $11,857,000; (2023: $12,847,000) Refer to the report of the Audit and Risk Committee on page 38, accounting policy note 2(b) and 2(q), and notes 10, 11 and 17.	**Basis:** The Company's investments consist primarily of listed equity securities from emerging markets and derivative instrument assets and liabilities ("Investments"). As at 30 June 2024, the Company had invested the equivalent of $686,519,000 (2023: $751,117,000) in listed equity securities, as well as $25,399,000 (2023: $9,468,000) in derivative assets and $11,857,000 (2023: $12,847,000) in derivative liabilities. These Investments, carried at fair value, are valued by the Company based on prices obtained from third party pricing providers. **Risk:** The valuation of the Company's Investments, given that it represents the majority of the Company's net assets, is considered to be the area which has the greatest effect on our overall audit strategy and allocation of resources in planning and completing our audit..	Our audit procedures included: **Internal Controls:** We evaluated the design and implementation of key controls over the valuation of quoted investments. **Use of KPMG Valuation Specialists:** We engaged our KPMG valuation specialist to independently price the investments to third party pricing sources. **Assessing disclosures:** We also considered the Company's valuation policies adopted in note 2(b) and the Company's disclosures (see note 2(q)) in relation to the use of estimates and judgements regarding the valuation of Investments and derivative instruments and in addition the fair value disclosures in note 17 for compliance with IFRS as adopted by the EU.

Our application of materiality and an overview of the scope of our audit
Materiality for the financial statements as a whole was set at $16m (2023: $15.9m), determined with reference to a benchmark of net assets of $753.4m, of which it represents approximately 2% (2023: 2%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality for the Company was set at 75% (2023: 75%) of materiality for the financial statements as a whole, which equates to $12m (2023: $11.9m). We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

Independent Auditor's Report to the Members of Fidelity Emerging Markets Limited continued

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding $800k (2023: $795k), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above, which has informed our identification of significant risks of material misstatement and the associated audit procedures performed in those areas as detailed above.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements (the "going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to affect the Company's financial resources or ability to continue operations over this period was the availability of capital to meet operating costs and other financial commitments.

We considered whether this risk could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Company's financial forecasts.

We considered whether the going concern disclosure in note 2(a) to the financial statements gives a full and accurate description of the directors' assessment of going concern.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;

- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the the Company's ability to continue as a going concern for the going concern period; and

- we have nothing material to add or draw attention to in relation to the directors' statement in the notes to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Company's use of that basis for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

FRAUD AND BREACHES OF LAWS AND REGULATIONS – ABILITY TO DETECT

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Company's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;

- reading minutes of meetings of those charged with governance; and

- using analytical procedures to identify any unusual or unexpected relationships

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Company's revenue streams are simple in nature with respect to accounting policy choice, and are easily verifiable to external data sources or agreements with little or no requirement for estimation from management. We did not identify any additional fraud risks.

We performed procedures including

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and

- incorporating an element of unpredictability in our audit procedures.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence, if any, and discussed with management the policies and procedures regarding compliance with laws and regulations. As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Company is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or impacts on the Company's ability to operate. We identified financial services regulation as being the area most likely to have such an effect, recognising the regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Disclosures of emerging and principal risks and longer term viability

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge. We have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the Viability Statement (page 25) that they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity;

- the emerging and principal risks disclosures describing these risks and explaining how they are being managed or mitigated;

- the directors' explanation in the Viability Statement (page 25) as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability Statement, set out on page 25 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Corporate governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' corporate governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the directors' statement that they consider that theannual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;

- the section of the annual report describing the work of the Audit Committee, including the significant issues that the audit committee considered in relation to the financial statements, and how these issues were addressed; and

- the section of the annual report that describes the review of the effectiveness of the Company's risk management and internal control systems.

Independent Auditor's Report to the Members of Fidelity Emerging Markets Limited continued

We are required to review the part of Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review. We have nothing to report in this respect.

We have nothing to report on other matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- the Company has not kept proper accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations, which to the best of our knowledge and belief are necessary for the purpose of our audit.

RESPECTIVE RESPONSIBILITIES

Directors' responsibilities
As explained more fully in their statement set out on page 37, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members as a body
This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Rachid Frihmat
For and on behalf of KPMG Channel Islands Limited
Chartered Accountants and Recognised Auditors, Guernsey
8 October 2024

Statement of Comprehensive Income

for the year ended 30 June 2024

		Year ended 30 June 2024			Year ended 30 June 2023		
	Note	**Revenue $'000**	**Capital $'000**	**Total $'000**	Revenue $'000	Capital $'000	Total $'000
Revenue							
Investment income	3	**19,284**	**–**	**19,284**	22,272	–	22,272
Derivative income	3	**19,711**	**–**	**19,711**	17,709	–	17,709
Other income	3	**1,252**	**–**	**1,252**	620	–	620
Total Income		**40,247**	**–**	**40,247**	40,601	–	40,601
Net gains on investments at fair value through profit or loss	10	**–**	**81,553**	**81,553**	–	36,553	36,553
Net gains/(loss) on derivative instruments	11	**–**	**35,890**	**35,890**	–	(37,809)	(37,809)
Net foreign exchange losses		**–**	**(1,569)**	**(1,569)**	–	(933)	(933)
Total income and gains/(losses)		**40,247**	**115,874**	**156,121**	40,601	(2,189)	38,412
Expenses							
Management fees	4	**(935)**	**(3,741)**	**(4,676)**	(923)	(3,690)	(4,613)
Other expenses	5	**(1,631)**	**–**	**(1,631)**	(1,619)	–	(1,619)
Profit/(loss) before finance costs and taxation		**37,681**	**112,133**	**149,814**	38,059	(5,879)	32,180
Finance costs	6	**(21,566)**	**–**	**(21,566)**	(15,653)	–	(15,653)
Profit/(loss) before taxation		**16,115**	**112,133**	**128,248**	22,406	(5,879)	16,527
Taxation	7	**(2,060)**	**(123)**	**(2,183)**	(2,622)	644	(1,978)
Profit/(loss) after taxation for the year attributable to Participating Preference Shares		**14,055**	**112,010**	**126,065**	19,784	(5,235)	14,549
Earnings/(loss) per Participating Preference Share (basic and diluted)	8	**$0.16**	**$1.29**	**$1.45**	$0.22	$(0.06)	$0.16

The Company does not have any income or expenses that are not included in the profit/(loss) after taxation for the year. Accordingly the profit/(loss) after taxation for the year is also the total comprehensive income for the year and no separate Statement of Comprehensive Income has been presented.

The total column of this statement represents the Company's Statement of Comprehensive Income prepared in accordance with IFRS. The supplementary information on the allocation between the revenue account and the capital reserve is presented under guidance published by the AIC.

All the profit/(loss) and total comprehensive income is attributable to the equity shareholders of the Company. There are no minority interests.

No operations were acquired or discontinued in the year and all items in the above statement derive from continuing operations.

Statement of Changes in Equity

for the year ended 30 June 2024

	Note	**Share premium account $'000**	**Capital reserve $'000**	**Revenue reserve $'000**	**Total equity $'000**
Total equity at 30 June 2023		**6,291**	**735,860**	**54,583**	**796,734**
Profit after taxation for the year		**–**	**112,010**	**14,055**	**126,065**
Repurchase and cancellation of the Company's own shares	14	**–**	**(127,125)**	**–**	**(127,125)**
Participating Preference Shares repurchased into Treasury	14	**–**	**(24,923)**	**–**	**(24,923)**
Dividend paid to shareholders	9	**–**	**–**	**(17,305)**	**(17,305)**
Total equity at 30 June 2024		**6,291**	**695,822**	**51,333**	**753,446**

	Note	Share premium account $'000	Capital reserve $'000	Revenue reserve $'000	Total equity $'000
Total equity at 30 June 2022		6,291	741,095	49,375	796,761
(Loss)/profit after taxation for the year		–	(5,235)	19,784	14,549
Dividend paid to shareholders	9	–	–	(14,576)	(14,576)
Total equity at 30 June 2023		6,291	735,860	54,583	796,734

Statement of Financial Position

as at 30 June 2024

	Note	30 June 2024 $'000	30 June 2023 $'000
Non-current assets			
Investments at fair value through profit or loss	10	**696,753**	778,608
Current assets			
Derivative assets	11	**25,399**	9,468
Amounts held at futures clearing houses and brokers		**44,952**	18,210
Other receivables	12	**8,083**	6,480
Cash at bank		**8,794**	18,057
		87,228	52,215
Current liabilities			
Derivative liabilities	11	**11,857**	12,847
Other payables	13	**18,678**	21,242
		30,535	34,089
Net current assets		**56,693**	18,126
Net assets		**753,446**	796,734
Equity			
Share premium account	15	**6,291**	6,291
Capital reserve	15	**695,822**	735,860
Revenue reserve	15	**51,333**	54,583
Total Equity Shareholders' Funds		**753,446**	796,734
Net asset value per Participating Preference Share	16	**$10.09**	$8.75

The Financial Statements on pages 45 to 76 were approved by the Board of Directors of the Company on 8 October 2024 and signed on its behalf by:

Heather Manners
Chairman

The notes on pages 49 to 76 form an integral part of these financial statements

Statement of Cash Flows

for the year ended 30 June 2024

	30 June 2024 $'000	30 June 2023 $'000
Operating activities		
Cash inflow from investment income	**24,168**	24,214
Cash inflow from derivative income	**9,769**	6,184
Cash inflow from other income	**20**	33
Cash outflow from taxation paid	**(2,060)**	(1,063)
Cash outflow from the purchase of investments	**(695,450)**	(928,894)
Cash inflow from the sale of investments	**854,047**	930,627
Cash inflow/(outflow) from net proceeds from settlement of derivatives	**23,436**	(4,819)
Cash outflow from amounts held at futures clearing houses and brokers	**(26,742)**	(6,309)
Cash outflow from operating expenses	**(6,217)**	(5,150)
Net cash inflow from operating activities	**180,971**	14,823
Financing activities		
Cash outflow from CFD interest paid	**(18,527)**	(10,111)
Cash outflow from short CFD dividends paid	**(2,726)**	(5,564)
Cash outflow from dividends paid to shareholders	**(17,305)**	(14,576)
Cash outflow from repurchase of participating preference shares into treasury	**(22,982)**	–
Cash outflow from repurchase and cancellation of Participating Preference Shares	**(127,125)**	–
Net cash outflow from financing activities	**(188,665)**	(30,251)
Net decrease in cash at bank	**(7,694)**	(15,428)
Cash at bank at the start of the year	**18,057**	34,418
Effect of foreign exchange movements	**(1,569)**	(933)
Cash at bank at the end of the year	**8,794**	18,057

The notes on pages 49 to 76 form an integral part of these financial statements

Notes to the Financial Statements
for the year ended 30 June 2024

1. Principal Activity

Fidelity Emerging Markets Limited (the 'Company') was incorporated in Guernsey on 7 June 1989 and commenced activities on 19 September 1989. The Company is an Authorised Closed-Ended Investment Scheme as defined by The Authorised Closed-Ended Investment Schemes Rules and Guidance, 2021 (and, as such, is subject to ongoing supervision by the Guernsey Financial Services Commission). The Company is listed on the London Stock Exchange and is a constituent of the FTSE 250 Index.

The Company's registered office is at Level 3, Mill Court La Charroterie, St Peter Port, Guernsey GY1 1EJ, Channel Islands.

The Company's investment objective is to achieve long-term capital growth from an actively managed portfolio made up primarily of securities and financial instruments providing exposure to emerging market companies, both listed and unlisted.

These financial statements were approved by the Board of Directors and authorised for issue on 8 October 2024.

2. Summary of Material Accounting Policies

(a) Basis of preparation

The principal accounting policies applied in the preparation of these financial statements on a going concern basis are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. The Company's financial statements, which give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company, have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS'), which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'), the IFRS Interpretations Committee and interpretations approved by the International Accounting Standards Committee ('IASC') that remain in effect and the Companies (Guernsey) Law, 2008. The 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.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of approval of these financial statements. In making their assessment the Directors have reviewed the income and expense projections, the liquidity of the investment portfolio, stress testing performed and considered the Company's ability to meet liabilities as they fall due. Accordingly, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing these financial statements.

Significant accounting estimates, assumptions and judgements

The preparation of financial statements in conformity with IFRS may require management to make critical accounting judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from the estimates.

Valuations use observable data to the extent practicable. Changes in any assumptions could affect the reported fair value of the financial instruments. The determination of what constitutes observable requires significant judgement by the Company. The Company considers observable data to be 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.

Adoption of new and revised International Financial Reporting Standards

The accounting policies adopted are consistent with those of the previous financial year as amended to reflect the adoption of new standards, amendments and interpretations which became effective in the year as shown below.

At the date of authorisation of these financial statements, the following revised International Accounting Standards (IAS) were in issue but not yet effective:

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
- Lack of Exchangeability – Amendments to IAS 21
- Presentation and Disclosure in Financial Statements – IFRS 18
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7
- Subsidiaries without Public Accountability – IFRS 19

The adoption of these new and amended standards, together with any other IFRSs or IFRIC interpretations that are not yet effective, are not expected to have a material impact on the financial statements of the Company other than IFRS 18 (Presentation and Disclosure in Financial Statements) that the Company is in the process of assessing.

Notes to the Financial Statements continued

2. Summary of Material Accounting Policies continued

(b) Financial Instruments

Classification

(i) Assets

The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. All investments are measured at fair value through profit or loss. The Company's investments are included in the Financial assets at fair value through profit and loss line in the Statement of Financial Position.

(ii) Liabilities

Derivative contracts that have a negative fair value are presented as derivative financial liabilities at fair value through profit or loss. As such, the Company classifies all of its investment portfolio as financial assets or liabilities at fair value through profit or loss. The Company's policy requires the Manager and the Board of Directors to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

Recognition/derecognition

The Company recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Regular-way purchases and sales of investments are recognised on their trade date, the date on which the Company commits to purchase or sell the investment. Investments are derecognised when the rights to cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. The Company derecognises a financial liability when the obligation under the liability is discharged, cancelled or expires.

Measurement

Financial assets at fair value through profit and loss are measured initially at fair value being the transaction price. Transaction costs incurred to acquire financial assets at fair value through profit or loss are expensed in the Statement of Comprehensive Income. Transaction costs include fees and commissions paid to agents, advisers, brokers and dealers. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the Statement of Comprehensive Income in the year in which they arise.

The Company includes transaction costs, incidental to the purchase or sale of investments within Net gains/(losses) on financial assets at fair value through profit or loss in the capital column of the Statement of Comprehensive Income and has disclosed them in Note 10 below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Securities listed on active markets are valued based on their last bid price for valuation and financial statement purposes.

Equity Linked Notes are valued based on the available price of the underlying asset as at reporting date.

In the normal course of business, the Company may utilise Participatory notes ('P Notes') to gain access to markets that otherwise would not be allowable as a foreign investor. P Notes are issued by banks or broker-dealers and allow the Company to gain exposure to local shares in foreign markets. They are valued based on the last price of the underlying equity at the valuation date.

The Company's investment in other funds ('Investee Funds') are subject to the terms and conditions of the respective Investee Fund's offering documentation. The investments in Investee Funds are primarily valued based on the latest available redemption price for such units in each Investee Fund, as determined by the Investee Funds' administrators. The Company reviews the details of the reported information obtained for the Investee Funds and considers the liquidity of the Investee Fund or its underlying investments, the value date of the net asset value provided, any restrictions on redemptions and the basis of the Investee Funds' accounting. If necessary, the Company makes adjustments to the net asset value of the Investee Funds to obtain the best estimate of fair value.

The Company may make adjustments to the value of a security if it has been materially affected by events occurring before the Company's NAV calculation but after the close of the primary markets on which the security is traded. The Company may also make adjustment to the value of its investments if reliable market quotations are unavailable due to infrequent trading or if trading in a particular security was halted during the day and did not resume prior to the Company's NAV calculation.

Notes to the Financial Statements continued

2. Summary of Material Accounting Policies continued
In preparing these financial statements the Directors have considered the impact of climate change risk as a principal and as an emerging risk as set out on pages 22 to 24, and have concluded that there was no further impact of climate change to be taken into account as the investments are valued based on market pricing. In line with IFRS 13 – "Fair Value Measurement" investments are valued at fair value, which for the Company are quoted bid prices for investments in active markets at the statement of financial position date. Investments which are unlisted are priced using market-based valuation approaches. All investments therefore reflect the market participants view of climate change risk on the investments held by the Company.

Derivative Instruments
When appropriate, permitted transactions in derivative instruments are used. Derivative transactions into which the Company may enter include long and short contracts for difference ("CFDs"), futures and options.

Under IFRS 9 derivatives are classified at fair value through profit or loss – held for trading, and are initially accounted and measured at fair value on the date the derivative contract is entered into and subsequently measured at fair value as follows:

- Long and short CFDs – the difference between the strike price and the value of the underlying shares in the contract;
- Futures – the difference between the contract price and the quoted trade price;
- Forward currency contracts – valued at the appropriate quoted forward foreign exchange rate ruling at the Statement of Financial Position date;
- Exchange traded options – valued based on similar instruments or the quoted trade price for the contract; and
- Over the counter options – valued based on broker statements.

Where transactions are used to protect or enhance income, if the circumstances support this, the income and expenses derived are included in derivative income in the revenue column of the Statement of Comprehensive Income. Where such transactions are used to protect or enhance capital, if the circumstances support this, the income and expenses derived are included in net gains on derivative instruments in the capital column of the Statement of Comprehensive Income. Any positions on such transactions open at the reporting date are reflected on the Statement of Financial Position at their fair value within current assets or current liabilities.

Amortised cost measurement
Cash at bank, amounts held at futures clearing houses and brokers and other receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the receivables are derecognised or impaired, as well as through the amortisation process.

Capital gains tax payable and other payables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation of these liabilities.

(c) Foreign Currency Translation
Functional and Presentation Currency
The books and records of the Company are maintained in the currency of the primary economic environment in which it operates (its functional currency). The Directors have considered the primary economic environment of the Company and considered the currency in which the original capital was raised, past distributions have been made and ultimately the currency in which capital would be returned on a break up basis. The Directors have also considered the currency to which underlying investments are exposed.

On balance, the Directors believe that US dollars best represent the functional currency of the Company. The financial statements, results and financial position of the Company are also expressed in US dollars which is the presentation currency of the Company and have been rounded to the nearest thousand unless otherwise stated.

Transactions and Balances
Transactions in currencies other than US dollars are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting year, monetary items and non-monetary assets and liabilities that are fair valued and are denominated in foreign currencies are retranslated at rates prevailing at the end of the reporting year. Gains and losses arising on translation are included in the Statement of Comprehensive Income for the year. Foreign exchange gains and losses relating to cash and cash equivalents are presented in the Statement of Comprehensive Income within 'Net foreign exchange gains or losses'. Foreign exchange gains and losses relating to financial assets at fair value through profit or loss and derivatives are presented in the Statement of Comprehensive Income within 'Net gains or losses on investments' and 'Net gains on derivative instruments' respectively.

Notes to the Financial Statements continued

2. Summary of Material Accounting Policies continued

(d) Recognition of Dividend and Interest Income

Dividends arising on the Company's investments are accounted for on an ex-dividend basis, gross of applicable withholding taxes. Interest on cash at bank and collateral is accrued on a day-to-day basis using the effective interest method. Dividends and interest income are recognised in the Statement of Comprehensive Income.

(e) Income from Derivatives

Derivative instrument income received from dividends on long (or payable from short) CFDs are accounted for on the date on which the right to receive the payment is established, normally the ex-dividend date. The amount net of tax is credited (or charged) to the revenue column of the Statement of Comprehensive Income.

Interest received on CFDs is accounted for on an accruals basis and credited to the revenue column of the Statement of Comprehensive Income. Interest received on CFDs represent the finance costs calculated by reference to the notional value of the CFDs.

(f) Finance Costs

Finance costs comprise bank charges and finance costs paid on CFDs, which are accounted for on an accruals basis, and dividends paid on short CFDs, which are accounted for on the date on which the obligation to incur the cost is established, normally the ex-dividend date. Finance costs are charged in full to the revenue column of the Statement of Comprehensive Income.

(g) Dividend Distribution

Dividend distributions are at the discretion of the Board of Directors. A dividend is recognised as a liability in the period in which it is approved at the Annual General Meeting of the shareholders and is recognised in the Statement of Changes in Equity.

(h) Cash and Cash Equivalents

Cash comprises current deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Bank overdrafts are accounted for as short term liabilities on the Statement of Financial Position and the interest expense is recorded using the effective interest rate method. Bank overdrafts are classified as other financial liabilities.

(i) Amounts held at/due to futures clearing houses and brokers

Cash deposits are held in segregated accounts on behalf of brokers as collateral against open derivative contracts. These are carried at amortised cost.

(j) Other receivables

Other receivables include amounts receivable on settlement of derivatives, securities sold pending settlement, accrued income, taxation recoverable and other debtors and prepayments incurred in the ordinary course of business. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. Other receivables are recognised initially at fair value and, where applicable, subsequently measured at amortised cost using the effective interest rate method and as reduced by appropriate allowance for estimated irrecoverable amounts.

(k) Other payables

Other payables include amounts payable on settlement of derivatives, securities purchased pending settlement, investment management fees, amounts payable for repurchase of shares, finance costs payable and expenses accrued in the ordinary course of business. Other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Other payables are recognised initially at fair value and, where applicable, subsequently measured at amortised cost using the effective interest rate method.

(l) Segment Reporting

Operating Segments are reported in a manner consistent with the internal reporting used by the chief operating decision maker ('CODM'). The CODM, who is responsible for allocation of resources and assisting performance of the operating segments, has been identified as the Directors of the Company, as the Directors are ultimately responsible for investment decisions.

The Company is engaged in a single segment business and, therefore, no segmental reporting is provided.

Notes to the Financial Statements continued

2. Summary of Material Accounting Policies continued

(m) Expenses

All expenses are accounted for on an accruals basis and are charged to the Statement of Comprehensive Income.

Expenses are allocated wholly to revenue with the following exceptions:

- Management fees are allocated 20% to revenue and 80% to the capital, in line with the Board's expected long-term split of revenue and capital return from the Company's investment portfolio; and

- Expenses which are incidental to capital events are charged to capital.

(n) Taxation

The Company currently incurs withholding taxes imposed by certain countries on investment income and capital gains taxes upon realisation of its investments. Such income or gains are recorded gross of withholding taxes and capital gains taxes in the Statement of Comprehensive Income. Withholding taxes and capital gains taxes are shown as separate items in the Statement of Comprehensive Income.

In accordance with IAS 12, 'Income taxes', the Company is required to recognise a tax liability when it is probable that the tax laws of foreign countries require a tax liability to be assessed on the Company's capital gains sourced from such foreign country, assuming the relevant taxing authorities have full knowledge of all the facts and circumstances. The tax liability is then measured at the amount expected to be paid to the relevant taxation authorities, using the tax laws and rates that have been enacted or substantively enacted by the end of the reporting year. There is sometimes uncertainty about the way enacted tax law is applied to offshore investment funds. This creates uncertainty about whether or not a tax liability will ultimately be paid by the Company. Therefore, when measuring any uncertain tax liabilities, management considers all of the relevant facts and circumstances available at the time that could influence the likelihood of payment, including any formal or informal practices of the relevant tax authorities.

(o) Share Capital

Participating Preference Shares are not redeemable and there is no obligation to pay cash or another financial asset to the holder but are entitled to receive dividends. They are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds net of tax.

(p) Purchase of Own Shares

The cost of purchases of the Company's own shares is shown as a reduction in Shareholders' Funds. The Company's net asset value and return per Participating Preference Share are calculated using the number of shares outstanding after adjusting for purchases.

(q) Critical Accounting Estimates and Assumptions

As stated in Note 2(a) Basis of Preparation, the preparation of financial statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgment in the process of applying the Company's accounting policies. For example, the Company may, from time to time, hold financial instruments that are not quoted in active markets, such as minority holdings in investment and private equity companies. Fair values of such instruments are determined using different valuation techniques validated and periodically reviewed by the Board of Directors.

(r) Capital reserve

The following are attributable to capital reserve:

- Gains and losses on the disposal of financial assets at fair value through profit and loss and derivatives instruments;

- Changes in the fair value of financial assets at fair value through profit and loss and derivative instruments, held at the year end;

- Foreign exchange gains and losses of a capital nature;

- 80% of management fees;

- Dividends receivable which are capital in nature;

- Taxation charged or credited relating to items which are capital in nature; and

- Other expenses which are capital in nature.

The Company holds 2,921,898 participating preference shares in treasury which have been excluded from the net asset value and earnings per participating preference share calculations from the date of repurchase into treasury.

Notes to the Financial Statements continued

3. Income

	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000
Investment income		
UK dividends	**362**	798
Overseas dividends	**18,900**	21,474
UK and overseas scrip dividends	**15**	–
Interest on bonds	**7**	–
	19,284	22,272
Derivative income		
Dividends earned on long CFDs	**8,489**	5,220
Interest earned on CFDs	**2,114**	1,414
Option income	**9,108**	11,075
	19,711	17,709
Other income		
Interest income from cash and collateral	**1,232**	587
Fee rebate	**20**	33
	1,252	620
Total income	**40,247**	40,601

4. Management Fees

	Year ended 30 June 2024			Year ended 30 June 2023		
	Revenue $'000	**Capital $'000**	**Total $'000**	Revenue $'000	Capital $'000	Total $'000
Management fees	**935**	**3,741**	**4,676**	923	3,690	4,613

Under the Investment Management Agreement ('the IMA'), Fidelity International is entitled to receive a Management Fee of 0.60% per annum of the Net Asset Value of the Company. Fees are payable monthly in arrears and calculated on a daily basis.

Management fees incurred by collective investment schemes or investment companies managed or advised by the Investment Manager are reimbursed.

Please see information on ongoing charges ratio as presented on page 19.

Notes to the Financial Statements continued

5. Other expenses

	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000
Allocated to revenue:		
Custodian fees	**415**	362
Directors' fees	**263**	279
Directors' expenses	**24**	74
Administration fees	**193**	192
Audit fees	**106**	73
Legal and professional fees	**120**	117
Sundry expenses	**510**	522
Other expenses	**1,631**	1,619

Administration fees
The Administrator is entitled to receive a fee, payable monthly, based on the Net Asset Value of the Company and time incurred.

Custodian fee
Under the Custodian Agreement, the Custodian to the Company is entitled to receive a fee payable monthly, based on the Net Asset Value of the Company. All custody services are performed by JP Morgan Chase Bank.

The Company also incurs charges and expenses of other organisations with whom securities are held. The total of all Custodian fees for the year represented approximately 0.06% (2023: 0.05%) per annum of the average Net Assets of the Company.

6. Finance costs

	Year ended 30 June 2024			Year ended 30 June 2023		
	Revenue $'000	**Capital $'000**	**Total $'000**	Revenue $'000	Capital $'000	Total $'000
Dividends expenses on short CFDs	**3,081**	**–**	**3,081**	5,270	–	5,270
Interest expenses on CFDs	**18,485**	**–**	**18,485**	10,383	–	10,383
	21,566	**–**	**21,566**	15,653	–	15,653

Notes to the Financial Statements continued

7. Taxation

	Year ended 30 June 2024			Year ended 30 June 2023		
	Revenue $'000	**Capital $'000**	**Total $'000**	Revenue $'000	Capital $'000	Total $'000
Capital gains tax	**–**	**123**	**123**	–	(644)	(644)
Withholding taxes	**2,060**	**–**	**2,060**	2,622	–	2,622
	2,060	**123**	**2,183**	2,622	(644)	1,978

The Company is exempt from taxation in Guernsey under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 2012. As such, the Company is only liable to pay a fixed annual fee, currently £1,200 (2023: £1,200).

Income due to the Company is subject to withholding taxes. The Manager undertakes regular reviews of the tax situation of the Company and believes that withholding taxes on dividend income and capital gains taxes on capital gains are currently the material transactions that generate the amounts of tax payable.

In accordance with IAS 12, 'Income taxes', where necessary the Company provides for deferred taxes on any capital gains/losses on the revaluation of securities in such jurisdictions where capital gains tax is levied.

The capital gains charge has been calculated on the basis of the tax laws enacted or substantially enacted at the reporting date in the countries where the Company's investments generate taxable income on realisation. The Manager, on behalf of the Board, periodically evaluates which applicable tax regulations are subject to interpretation and establishes provisions when appropriate.

As at 30 June 2024, $1,038,000 capital gains tax provision was recognised in the Statement of Financial Position (2023: $915,000).

8. Earnings/(loss) per Participating Preference Share

	Year ended 30 June 2024	Year ended 30 June 2023
Revenue earnings per Participating Preference Share	**$0.16**	$0.22
Capital earnings/(loss) per Participating Preference Share	**$1.29**	$(0.06)
Total earnings per Participating Preference Share – basic and diluted	**$1.45**	$0.16

The earnings/(loss) per Participating Preference Share is based on the profit/(loss) after taxation for the year divided by the weighted average number of Participating Preference Shares in issue during the year, as shown below:

	$'000	$'000
Revenue profit after taxation for the year	**14,055**	19,784
Capital profit/(loss) after taxation for the year	**112,010**	(5,235)
Total profit after taxation for the year attributable to Participating Preference Shares	**126,065**	14,549

	Number	Number
Weighted average number of Participating Preference Shares in issue	**86,936,701**	91,100,066

Notes to the Financial Statements continued

9. Dividends Paid to Shareholders

	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000
Dividend paid		
2023 final dividend of 19.0¢ (2022: 16.0¢) per Participating Preference Share	**17,305**	14,576
Total dividend paid	**17,305**	14,576
Dividend proposed		
2024 final dividend of 20.0¢ (2023: 19.0¢) per Participating Preference Share	**14,929**	17,309
Total dividend proposed	**14,929**	17,309

The Directors have proposed the payment of a dividend for the year ended 30 June 2024 of 20.0¢ per Participating Preference Share which is subject to approval by shareholders at the Annual General Meeting on 10 December 2024 and has not been included as a liability in these financial statements. The dividend will be paid on 13 December 2024 to shareholders on the register at the close of business on 15 November 2024 (ex-dividend date 14 November 2024).

10. Investments at Fair Value through Profit or Loss

	30 June 2024 $'000	30 June 2023 $'000
Financial Assets:		
Equity securities	**687,025**	752,126
Equity linked notes	**4,555**	17,433
Debt instruments	**316**	–
Investee funds	**4,857**	9,049
Total Investments at fair value through profit or loss	**696,753**	778,608
Opening book cost	**884,753**	907,801
Opening unrealised losses on Investments at fair value through profit or loss	**(106,145)**	(180,459)
Opening fair value of Investments at fair value through profit or loss	**778,608**	727,342
Movements in the year		
Purchases at cost	**692,013**	932,911
Sales – proceeds	**(855,428)**	(918,198)
Gains on Investments at fair value through profit or loss	**81,553**	36,553
Amortisation adjustment	**7**	–
Closing fair value	**696,753**	778,608
Closing book cost	**695,828**	884,753
Closing unrealised gains/(losses) on Investments at fair value through profit or loss	**925**	(106,145)
Closing fair value of Investments at fair value through profit or loss	**696,753**	778,608

Notes to the Financial Statements continued

10. Investments at Fair Value through Profit or Loss continued

Gains/(losses) on Investments at fair value through profit or loss

	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000
Realised gains/(losses) on Investments at fair value through profit or loss		
Realised gains	**81,933**	75,936
Realised losses	**(107,443)**	(113,697)
Net realised losses on Investments at fair value through profit or loss	**(25,510)**	(37,761)
Change in unrealised gains/(losses) on Investments at fair value through profit or loss		
Change in unrealised gains on Investments at fair value through profit or loss	**39,223**	20,750
Change in unrealised losses on Investments at fair value through profit or loss	**67,840**	53,564
Net change in unrealised gains on Investments at fair value through profit or loss	**107,063**	74,314
Net gains on Investments at fair value through profit or loss	**81,553**	36,553

The Company received $855,428,000 (2023: $918,198,000) from financial investments at fair value through profit or loss sold in the year. The book cost of these Investments at fair value through profit or loss when they were purchased was $880,938,000 (2023:$955,959,000). These financial investments at fair value through profit or loss have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the financial investments at fair value through profit or loss.

Transaction costs incurred during the year in the acquisition and disposal of Investments at fair value through profit or loss, which are included in the Net gains/(losses) on financial investments at fair value through profit or loss were as follows:

	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000
Purchases transaction costs	**1,012**	1,403
Sales transaction costs	**1,116**	1,123
	2,128	2,526

Notes to the Financial Statements continued

11. Derivative Instruments

	Year ended 30 June 2024 $'000	Year ended 30 June 2023 $'000
Realised gains/(losses) on derivative instruments		
Gains on CFDs	**177,604**	163,817
Gains on future contracts	**16,178**	19,508
Gains on option contracts	**18,681**	10,947
Losses on CFDs	**(141,402)**	(187,154)
Losses on future contracts	**(23,062)**	(21,287)
Losses on option contracts	**(23,903)**	(13,600)
Net realised gains/(losses) on derivative instruments	**24,096**	(27,769)
Change in unrealised gains/(losses) on derivative instruments		
Change in unrealised gains on CFDs	**9,979**	(11,177)
Change in unrealised gains on future contracts	**(581)**	849
Change in unrealised gains on option contracts	**4,746**	138
Change in unrealised gains on forward currency contracts	**364**	–
Change in unrealised losses on CFDs	**4,143**	(15)
Change in unrealised losses on future contracts	**(1,889)**	277
Change in unrealised losses on option contracts	**(4,968)**	(112)
Net change in unrealised gains/(losses) on derivative instruments	**11,794**	(10,040)
Net gains/(losses) on derivative instruments	**35,890**	(37,809)

	30 June 2024 Fair value $'000	30 June 2023 Fair value $'000
Fair value of derivative instruments recognised on the Statement of Financial Position		
Derivative instrument assets	**25,399**	9,468
Derivative instrument liabilities	**(11,857)**	(12,847)
	13,542	(3,379)

Notes to the Financial Statements continued

11. Derivative Instruments continued

	30 June 2024		30 June 2023	
	Fair value $'000	**Asset exposure $'000**	Fair value $'000	Asset exposure $'000
At the year end the Company held the following derivative instruments				
Long CFDs	**4,751**	**366,358**	(4,598)	312,737
Short CFDs	**6,830**	**170,814**	2,057	203,746
Long future contracts	**(399)**	**22,348**	–	–
Short future contracts	**(26)**	**22,831**	–	–
Short futures (hedging exposure)	**(1,196)**	**(148,757)**	849	(130,176)
Long call option contracts	**5,508**	**49,080**	254	2,879
Short put option contracts	**915**	**2,269**	(1,557)	10,789
Short call option contracts	**(1)**	**37**	(384)	6,406
Short call option contracts (hedging exposure)	**(2,418)**	**(15,110)**	–	–
Long put option contracts	**(786)**	**10,698**	–	–
Forward currency contracts	**364**	**–**	–	–
	13,542	**480,568**	(3,379)	406,381

12. Other Receivables

	30 June 2024 $'000	30 June 2023 $'000
CFD dividend receivable	**1,661**	827
Securities sold pending settlement	**2,170**	789
Amounts receivable on settlement of derivatives	**3,054**	–
Accrued income	**1,182**	4,834
Other receivables	**16**	30
	8,083	6,480

13. Other Payables

	30 June 2024 $'000	30 June 2023 $'000
CFD interest payable	**431**	473
CFD dividend payable	**616**	261
Securities purchased pending settlement	**12,613**	16,050
Amounts payable on settlement of derivatives	**1,182**	2,762
Management fees	**335**	391
Custodian fees	**102**	89
Directors' fees	**65**	45
Repurchases of the Company's own shares awaiting settlement	**1,941**	–
Capital gains tax payable	**1,038**	915
Accrued expenses	**355**	256
	18,678	21,242

Notes to the Financial Statements continued

14. Share Capital

	2024 Number of shares	2023 Number of shares
Authorised		
Founder shares of no par value	**1,000**	1,000
Issued		
Participating Preference Shares held outside Treasury		
Beginning of the year	**91,100,066**	91,100,066
Repurchase and cancellation of the Company's own Participating Preference Shares	**(13,531,881)**	
Participating Preference Shares repurchased into Treasury	**(2,921,898)**	–
End of the year	**74,646,287**	91,100,066
Participating Preference Shares held in Treasury*		
Beginning of the year	**–**	–
Participating Preference Shares repurchased into Treasury	**2,921,898**	–
End of the year	**2,921,898**	–
Total Participating Preference Shares including held in Treasury	**77,568,185**	91,100,066

* The ordinary shares held in Treasury carry no rights to vote, to receive a dividend or to participate in a winding up of the Company.

The Board of Directors is mindful that the Company's shares have traded at a discount to NAV for some time, and frequently deliberates appropriate discount control mechanisms to address the imbalance between the demand and supply of the Company's shares. In recognition of this, on 13 November 2023, the Company implemented a share buyback programme to repurchase up to 14.99% of issued share capital, which was renewed at the Annual General Meeting on 7 December 2023. The Board intends to continue using its buyback programme to address the discount to NAV with the ambition that it may ultimately be maintained in single digits in normal market conditions on a sustainable basis.

The costs associated with the repurchase and cancellation of shares as well as repurchase of shares held in treasury of $127,125,000 and $24,923,000 respectively were charged to the capital reserve for the year ended 30 June 2024.

The Company may issue an unlimited number of Unclassified Shares of no par value.

Founder Shares
All of the Founder Shares were issued on 6 June 1989 to GIML or its nominees. The Founder Shares were issued at $1 each par value. The Founder Shares are not redeemable. At the Extraordinary General Meeting of the Company on 30 October 2009 and in accordance with The Companies (Guernsey) Law, 2008 it was approved that each Founder Share be redesignated as no par value shares.

The Founder Shares confer no rights upon holders other than at general meetings, on a poll, every holder is entitled to one vote in respect of each Founder Share held.

On 7 October 2021, all of the Founder shares were transferred from Genesis Investment Management LLP to FIL Investment Services (UK) Limited.

Treasury Shares
As at year ending 30 June 2024, the Company holds 2,921,898 shares in treasury (2023: nil).

Notes to the Financial Statements continued

14. Share Capital continued

Participating Preference Shares

At the Extraordinary General Meeting of the Company held on 30 October 2009 it was approved that each Participating Preference Share be divided into ten Participating Preference Shares. Under The Companies (Guernsey) Law, 2008 (as amended), the nominal values of the shares were also converted into sterling and redesignated as no par value shares.

The holders of Participating Preference Shares rank ahead of holders of any other class of share in issue in a winding up. They have the right to receive any surplus assets available for distribution. The Participating Preference Shares confer the right to dividends declared, and at general meetings, on a poll, confer the right to one vote in respect of each Participating Preference Share held. Participating Preference Shares are classed as equity as they have a residual interest in the assets of the Company.

All of the above classes of shares are considered as Equity under the definitions set out in IAS 32, 'Financial instruments: Disclosure and presentation', because the shares are not redeemable and there is no obligation to pay cash or another financial asset to the holder.

15. Capital and Reserves

	Share premium account $'000	Capital reserve $'000	Revenue reserve $'000	Total equity $'000
At 1 July 2023	**6,291**	**735,860**	**54,583**	**796,734**
Net gains on investments at fair value through profit or loss (see Note 10)	–	**81,553**	–	**81,553**
Net gains on derivative instruments (see Note 11)	–	**35,890**	–	**35,890**
Net foreign exchange losses	–	**(1,569)**	–	**(1,569)**
Management fees (see Note 4)	–	**(3,741)**	–	**(3,741)**
Tax charged to capital (see Note 7)	–	**(123)**	–	**(123)**
Repurchase and cancellation of the Company's own shares (see Note 14)	–	**(127,125)**	–	**(127,125)**
Participating Preference Shares repurchased into Treasury (see Note 14)	–	**(24,923)**	–	**(24,923)**
Revenue profit after taxation for the year	–	–	**14,055**	**14,055**
Dividends paid to shareholders (see Note 9)	–	–	**(17,305)**	**(17,305)**
At 30 June 2024	**6,291**	**695,822**	**51,333**	**753,446**

Notes to the Financial Statements continued

15. Capital and Reserves continued

	Share premium account $'000	Capital reserve $'000	Revenue reserve $'000	Total equity $'000
At 1 July 2022	6,291	741,095	49,375	796,761
Net gains on investments at fair value through profit or loss (see Note 10)	–	36,553	–	36,553
Net losses on derivative instruments (see Note 11)	–	(37,809)	–	(37,809)
Net foreign exchange losses	–	(933)	–	(933)
Management fees (see Note 4)	–	(3,690)	–	(3,690)
Tax charged to capital (see Note 7)	–	644	–	644
Revenue profit after taxation for the year	–	–	19,784	19,784
Dividends paid to shareholders (see Note 9)	–	–	(14,576)	(14,576)
At 30 June 2023	6,291	735,860	54,583	796,734

Share Premium
Share Premium is the amount by which the value of shares subscribed for exceeded their nominal value at the date of issue.

The capital reserve balance at 30 June 2024 includes investment holding gains of $925,000 (2023: losses of $106,145,000) as detailed in Note 10.

16. Net Asset Value per Participating Preference Share

The calculation of the net asset value per Participating Preference Share is based on the following:

	30 June 2024	30 June 2023
Net assets	**$753,446,000**	$796,734,000
Participating Preference Shares in issue	**74,646,287**	91,100,066
Net Asset Value per Participating Preference Share	**$10.09**	$8.75

17. Financial Instruments

Management of risk
The Company's investing activities in pursuit of its investment objective involve certain inherent risks. The Board confirms that there is an ongoing process for identifying, evaluating and managing the risks faced by the Company. The Board with the assistance of the Investment Manager, has developed a risk matrix which, as part of the internal control process, identifies the risks that the Company faces. Principal risks identified are investment performance, cybercrime and information security, business continuity & event management, gearing, discount to NAV, unlisted securities, foreign currency exposure, lack of market liquidity, environmental, social and governance (ESG) and key person risks. Other risks identified are tax and regulatory and operational risks, including those relating to third party service providers covering investment management, marketing and business development, company secretarial, fund administration and operations and support functions. Risks are identified and graded in this process, together with steps taken in mitigation, and are updated and reviewed on an ongoing basis. Risks identified are shown in the Strategic Report.

This note is incorporated in accordance with IFRS 7: Financial Instruments: Disclosures and refers to the identification, measurement and management of risks potentially affecting the value of financial instruments.

Notes to the Financial Statements continued

17. Financial Instruments continued
The Company's financial instruments may comprise:

- Equity shares (listed and unlisted), preference shares, equity linked notes, convertible bonds, rights issues, holdings in investment companies and private placements;
- Derivative instruments including CFDs, warrants, futures and options written or purchased on stocks and equity indices and forward currency contracts; and
- Cash, liquid resources and short-term receivables and payables that arise from its operations.

The risks identified by IFRS 7 arising from the Company's financial instruments are market price risk (which comprises interest rate risk, foreign currency risk and other price risk), liquidity risk, credit and counterparty risk and derivative instrument risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Interest rate risk
The Company has the ability to borrow up to 10% of the Company's NAV in order to increase the amount of capital available for investment. The Company aims to keep its use of an overdraft facility for trading purposes to a minimum only using a facility to enable settlements. It may also hold interest bearing securities and cash.

The Company finances its operations through its share capital and reserves. In addition, the Company has gearing through the use of derivative instruments. The Board imposes limits to ensure gearing levels are appropriate. The Company is exposed to a financial risk arising as a result of any increases in interest rates associated with the funding of the derivative instruments.

Interest rate risk exposure
The values of the Company's financial instruments that are exposed to movements in interest rates are shown below:

	30 June 2024 $'000	30 June 2023 $'000
Exposure to financial instruments that bear interest		
Long CFDs – exposure less fair value	**361,607**	317,335
	361,607	317,335
Exposure to financial instruments that earn interest		
Short CFDs – exposure plus fair value	**177,644**	205,804
Debt Instrument	**316**	–
Amounts held at futures clearing houses and brokers	**44,952**	18,210
Cash and cash equivalents	**8,794**	18,057
	231,706	242,071
Net exposure to financial instruments that bear interest	**(129,901)**	(75,264)

Interest rate risk sensitivity analysis
Based on the financial instruments held and interest rates at the statement of financial position date, an increase of 1% in interest rates throughout the year, with all other variables held constant, would have decreased the profit after taxation for the year and decreased the net assets of the Company by $1,299,000 (2023: increased the loss after taxation for the year and decreased the net assets of the Company by $753,000). A decrease of 1% in interest rates throughout the year would have had an equal but opposite effect.

Foreign currency risk
The Company invests in financial instruments and enters into transactions denominated in currencies other than its functional currency. Consequently, the Company is exposed to risks that the exchange rate of its functional currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Company's assets or liabilities denominated in currencies other than US dollars (functional currency) or UK Sterling (the currency in which shares are traded on the London Stock Exchange).

Notes to the Financial Statements continued

17. Financial Instruments continued

Three principal areas have been identified where foreign currency risk could impact the Company:

- movements in currency exchange rates affecting the value of investments and derivatives exposures;
- movements in currency exchange rates affecting short-term timing differences, for example, between the date when an investment is bought or sold and the date when settlement of the transaction occurs; and
- movements in currency exchange rates affecting income received.

Currency exposure of financial assets

The Company's financial assets comprise of investments, positions on derivative instruments, short-term debtors and cash and cash equivalents.

Currency exposure of financial liabilities

The Company finances its investment activities through its ordinary share capital and reserves. The Company's financial liabilities comprise positions on derivative instruments and other payables.

The net currency exposure profile of these financial assets/(liabilities) is shown below:

Currency	Investments held at fair value through profit or loss $'000	Asset/ (liabilities) exposure of derivative instruments[1] $'000	Cash, cash equivalents and other receivables/ (payables)[2] $'000	2024 Total foreign currency risk $'000
Australian dollar	3,594	(4,012)	(35)	(453)
Brazilian real	44,315	–	(275)	44,040
Canadian dollar	25,805	9,545	(17)	35,333
Euro	16,125	21,793	(28)	37,890
Hong Kong dollar	40,623	108,530	(1,395)	147,758
Hungarian Forint	10,536	–	–	10,536
Indian rupee	77,447	(17,942)	25,903	85,408
Indonesian rupiah	28,009	–	–	28,009
Japanese Yen	–	(25,855)	(97)	(25,952)
Korean won	20,102	(7,027)	1,325	14,400
Mexican peso	33,824	23,248	(49)	57,023
Other currencies	38,148	(374)	(36)	37,738
Poland złoty	13,899	(16,346)	(351)	(2,798)
Saudi riyal	36,888	–	385	37,273
South African Rand	85,394	2,518	(9)	87,903
Sterling	4,465	16,082	(985)	19,562
Swedish Krona	–	8,450	(12)	8,438
Taiwan dollar	115,039	–	395	115,434
United Arab Emirates Dirham	16,671	–	–	16,671
United States dollar	65,389	(29,581)	18,432	54,240
Vietnamese dong	20,480	–	–	20,480
	696,753	89,029	43,151	828,933

1 The asset exposure of long and short derivative positions is after the netting of hedging exposures;
2 Other receivables/(payables) include amounts held at futures clearing houses and brokers.

Notes to the Financial Statements continued

17. Financial Instruments continued

Currency	Investments held at fair value through profit or loss $'000	Asset/ (liabilities) exposure of derivative instruments[1] $'000	Cash, cash equivalents and other receivables/ (payables)[2] $'000	2023 Total foreign currency risk $'000
Brazilian real	70,992	263	(74)	71,181
Canadian dollar	23,451	19,717	15	43,183
Chinese yuan renminbi	6,364	–	30	6,394
Euro	35,411	3,570	5	38,986
Hong Kong dollar	77,538	53,348	1,265	132,151
Indian rupee	93,561	–	136	93,697
Indonesian rupiah	36,602	–	–	36,602
Korean won	9,563	(604)	36	8,995
Mexican peso	34,214	18,890	(65)	53,039
Nigerian naira	9,356	–	1,319	10,675
Poland zloty	12,087	(7,503)	21	4,605
South African rand	80,608	(4,512)	(237)	75,859
UK Sterling	20,784	9,044	(27)	29,801
Swedish Krona	10,837	–	–	10,837
Taiwan dollar	107,225	–	1,835	109,060
United Arab Emirates dirham	4,124	–	–	4,124
United States dollar	92,384	(90,177)	17,175	19,382
Vietnamese dong	15,131	–	68	15,199
Other currencies	38,376	(15,959)	3	22,420
	778,608	(13,923)	21,505	786,190

1 The asset exposure of long and short derivative positions is after the netting of hedging exposures;
2 Other receivables/(payables) include amounts held at futures clearing houses and brokers.

Foreign currency risk management
The degree of sensitivity of the Company's assets to foreign currency risk depends on the net exposure of the Company to each specific currency and the volatility of that specific currency in the year. At 30 June 2024, had the average exchange rate of the US dollar weakened by a reasonable possible movement of 5% (2023: 5%) in relation to the basket of currencies in which the Company's net assets are denominated, weighted by the Company's exposure to each currency with all other variables held constant, the Company estimates the profit after taxation for the year would have increased and net assets would have increased by $38,735,000 (2023: increased the profit after taxation for the year and increased the net assets of the Company by $38,340,000).

An increase in the US dollar by 5% in relation to the basket of currencies in which the Company's net assets are denominated would have resulted in a decline in net assets by the same amount, under the assumption that all other factors remain constant.

The Investment Manager does not consider it realistic or useful to examine foreign currency risk in isolation. The Investment Manager considers the standard deviation of the NAV (which is struck in US dollars) as the appropriate risk measurement for the portfolio as a whole as it reflects market price risk generally. Please see Market Price Risk section.

Market price risk
Market price risk is the risk that value of the instrument will experience unanticipated fluctuations as a result of changes in market prices (other than those arising from foreign currency risk and interest rate risk), whether caused by factors specific to an individual investment, its issuer, or all factors influencing all instruments traded in the market.

Notes to the Financial Statements continued

17. Financial Instruments continued

Market price risk management

Market price risk can be moderated in a number of ways by the Investment Manager through:

(i) a disciplined stock selection and investment process; and

(ii) limitation of exposure to a single investment through diversification and through amongst others, the implementation of investment restrictions.

The Board reviews the prices of the portfolio's holdings and investment performance at their meetings. Country and Sector Exposure of the Portfolio and Forty Largest Holdings illustrate the Company's portfolio at the end of reporting year reflects the diversified strategy

The Investment Manager has identified the MSCI Emerging Markets Index as a relevant reference point for the markets in which it operates. However, the Investment Manager does not manage the Company's investment strategy to track the MSCI Emerging Markets Index or any other index or benchmark. The short-term performance of the Company and its correlation to the MSCI Emerging Markets Index is shown in the Financial Highlights section and is expected to change over time.

Market price risk – Investee Funds

The Company's investments in Investee Funds are subject to the terms and conditions of the respective Investee Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of those Investee Funds. The Investment Manager makes investment decisions after extensive due diligence of the underlying fund, its strategy and the overall quality of the underlying fund's manager. All of the Investee Funds in the investment portfolio are managed by portfolio managers who are compensated by the respective Investee Funds for their services. Such compensation generally consists of an asset based fee and a performance based incentive fee and is reflected in the valuation of the Company's investment in each of the Investee Funds.

The exposure to investments in Investee Funds at fair value is disclosed as part of Note below. These investments are included in 'Financial assets at fair value through profit or loss' in the Statement of Financial Position. The Company's maximum exposure to loss from its interests in Investee Funds is equal to the total fair value of its investments in Investee Funds.

There were no purchases of Investee Funds during the year ended 30 June 2024 (2023: $3,846,000). Total sales amounted to $1,310,000 (2023: $4,045,000). As at 30 June 2024 and 2023 there were no capital commitment obligations and no amounts due to Investee Funds for unsettled purchases.

Other price risk

Other price risk arises mainly from uncertainty about future prices of financial instruments. It represents the potential loss the Company might suffer through price movements in its investment positions. The Board meets quarterly to consider the asset allocation of the portfolio and the risk associated with particular industry sectors within the parameters of the investment objective.

The Investment Manager is responsible for actively monitoring the portfolio selected in accordance with the overall asset allocation parameters and seeks to ensure that individual stocks also meet an acceptable risk/reward profile. Other price risks arising from derivative positions, mainly due to the underlying exposures, are assessed by the Investment Manager's specialist derivative instruments team.

Other price risk sensitivity

The following table illustrates the sensitivity of loss after taxation for the year and net assets to an increase or decrease of 10% (year ended 30 June 2023: 10%) in the fair value of investments. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on investments with all other variables held constant.

The other price sensitivity analysis is based on the valuation of investments directly held by the Company. For underlying investment funds this is based on the net assets of such underlying funds as included in the Company's portfolio of investments at reporting date.

The value of certain investments, in particular positions held in underlying funds may vary due to currency, interest rate and credit risks and such risks are not directly considered in the other price risk sensitivity analysis.

Notes to the Financial Statements continued

17. Financial Instruments continued
Effect of a 10% increase/(decrease) in fair value:

	2024		2023	
	10% increase in fair value $'000	**10% decrease in fair value $'000**	10% increase in fair value $'000	10% decrease in fair value $'000
Statement of Comprehensive Income – profit/(loss) after taxation				
Total profit/(loss) after taxation for the year	**69,644**	**(69,644)**	77,861	(77,861)
Net assets	**69,644**	**(69,644)**	77,861	(77,861)

Liquidity risk
Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. The Company's assets mainly comprise readily realisable securities and derivative instruments which can be sold easily to meet funding commitments if necessary. Short-term flexibility is achieved by the use of a bank overdraft, if required.

The liquidity risk profile of the Company was as follows:

	30 June 2024 $'000	30 June 2023 $'000
Amounts due within one month		
Securities purchased pending settlement	**12,613**	16,050
Repurchases of the Company's own shares awaiting settlement	**1,941**	–
Amounts payable on settlement of derivatives	**1,182**	2,762
Derivative liabilities	**8,377**	12,847
CFD interest payable	**431**	473
CFD dividend payable	**616**	261
Custodian fees	**102**	89
Management fees	**335**	391
Directors' fees	**65**	45
Accrued expenses	**355**	256
Amounts due within one year		
Derivative liabilities	**3,480**	–
Capital gains tax payable	**1,038**	915
Total liabilities	**30,535**	34,089

Liquidity risk management
The restrictions on concentration and the diversification requirements detailed above (see market price risk) also serve normally to protect the overall value of the Company from the risks created by the lower level of liquidity in the markets in which the Company operates.

The Company has no payables past their due dates as at 30 June 2024 (2023: nil).

Credit and counterparty risk
Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment it has entered into with the Company. Financial instruments may be adversely affected if any of the institutions with which money is deposited suffer insolvency or other financial difficulties. All transactions are carried out with brokers that have been approved by the Investment Manager and are settled on a delivery versus payment basis. Limits are set on the amount that may be due from any one broker and are kept under review by the Investment Manager. Exposure to credit risk arises on outstanding security transactions and derivative instrument contracts and cash at bank. The Company only engages with approved counterparties that are rated investment grade or above.

The Company has no receivables past their due dates as at 30 June 2024 (2023: nil).

Notes to the Financial Statements continued

17. Financial Instruments continued

Credit risk management

Certain derivative instruments in which the Company may invest are not traded on an exchange but instead will be traded between counterparties based on contractual relationships, under the terms outlined in the International Swaps and Derivatives Association's ("ISDA") market standard derivative legal documentation. These are known as Over The Counter ("OTC") trades. As a result, the Company is subject to the risk that a counterparty may not perform its obligations under the related contract. In accordance with the risk management process which the Investment Manager employs, this risk is minimised by only entering into transactions with counterparties which are believed to have an adequate credit rating at the time the transaction is entered into, by ensuring that formal legal agreements covering the terms of the contract are entered into in advance, and through adopting a counterparty risk framework which measures, monitors and manages counterparty risk by the use of internal and external credit agency ratings and evaluates derivative instrument credit risk exposure.

The maximum exposure to credit risk at 30 June is the carrying amount of the financial assets as set out below.

	30 June 2024 Amounts due within 1 year $'000	30 June 2023 Amounts due within 1 year $'000
Derivative assets	**25,399**	9,468
Debt instruments	**316**	–
Securities sold pending settlement	**2,170**	789
Amounts receivable on settlement of derivatives	**3,054**	–
Amounts held at futures clearing houses and brokers	**44,952**	18,210
Cash and cash equivalents	**8,794**	18,057
CFD dividend receivable	**1,661**	827
Accrued income	**1,182**	4,834
Other receivables	**16**	30
	87,544	52,215

None of these assets are impaired nor past due but not impaired.

For OTC and exchange traded derivative transactions, collateral is used to reduce the risk of both parties to the contract. Collateral is managed on a daily basis for all relevant transactions and held in segregated collateral accounts. Collateral can be held by brokers on behalf of the Company to reduce the credit risk exposure of the Company or held by the Company on behalf of brokers to reduce the credit risk exposure of the brokers. All collateral received or pledged at reporting date is in form of cash. The value of collateral received from brokers and pledged to brokers is shown below:

	30 June 2024		30 June 2023	
	collateral received $'000	**collateral pledged $'000**	collateral received $'000	collateral pledged $'000
Bank of America Merrill Lynch International	**–**	**–**	–	250
Goldman Sachs International Ltd	**6,440**	**–**	–	3,430
J.P. Morgan Securities plc	**5,290**	**–**	1,180	–
Morgan Stanley & Co. International Ltd	**–**	**530**	110	–
HSBC Bank plc	**790**	**–**	–	1,800
UBS AG	**2,300**	**44,422**	–	12,730

Notes to the Financial Statements continued

17. Financial Instruments continued
Derivative instrument risk

The risks and risk management processes which result from the use of derivative instruments, are set out in the Risk Management Process document. This document was approved by the Board and allows the use of derivative instruments for the following purposes:

- to gain exposure to equity markets, sectors or individual investments;
- to hedge equity market risk in the Company's investments with the intention of mitigating losses in the events market falls;
- to enhance portfolio returns by writing call and put options; and
- to take short positions in equity markets, sectors or individual investments which would benefit from a fall in the relevant market price, where the Investment Manager believes the investment is overvalued. These positions distinguish themselves from other short exposures held for hedging purposes since they are expected to add risk to the portfolio.

The risk and investment performance of these instruments are managed by an experienced, specialist derivative team of the Investment Manager using portfolio risk assessment tools for portfolio construction.

Derivative instruments exposure sensitivity analysis
The Company invests in derivative instruments to gain or reduce exposure to the equity market. An increase of 10% in the share prices of the investments underlying the derivative instruments at the reporting date would have increased the profit after taxation for the year and increased the net assets of the Company by $8,903,000 (2023: increased the profit after taxation for the year and increased the net assets of the Company by $1,392,000). A decrease of 10% in share prices of the investments underlying the derivative instruments would have had an equal but opposite effect.

Offsetting
To mitigate counterparty risk for OTC derivative transactions, the ISDA legal documentation is in the form of a master agreement between the Company and the brokers. This allows enforceable netting arrangements in the event of a default or termination event. Derivative instrument assets and liabilities that are subject to netting arrangements have not been offset in preparing the Statement of Financial Position.

The Company's derivative instrument financial assets and liabilities recognised in the Statement of Financial Position and amounts that could be subject to netting in the event of a default or termination are shown below:

				Related amounts not set off on statement of financial position		2024
Financial assets	**Gross amount $'000**	**Gross amount of recognised financial liabilities set off on the statement of financial position $'000**	**Net amount of financial assets presented on the statement of financial position $'000**	**Financial instruments $'000**	**Margin account received as collateral $'000**	**Net amount $'000**
CFDs	**18,344**	**–**	**18,344**	**(6,763)**	**(9,169)**	**2,412**
Options	**6,423**	**–**	**6,423**	**(1,209)**	**–**	**5,214**
Futures	**268**	**–**	**268**	**(268)**	**–**	**–**
Forward currency contracts	**11,801**	**(11,437)**	**364**	**–**	**–**	**364**
	36,836	**(11,437)**	**25,399**	**(8,240)**	**(9,169)**	**7,990**

Notes to the Financial Statements continued

17. Financial Instruments continued

Financial liabilities	**Gross amount $'000**	**Gross amount of recognised financial assets set off on the statement of financial position $'000**	**Net amount of financial liabilities presented on the statement of financial position $'000**	**Related amounts not set off on statement of financial position** **Financial instruments $'000**	**Margin account pledged as collateral $'000**	**2024** **Net amount $'000**
CFDs	**(6,763)**	**–**	**(6,763)**	**6,763**	**–**	**–**
Options	**(3,205)**	**–**	**(3,205)**	**1,209**	**–**	**(1,996)**
Futures	**(1,889)**	**–**	**(1,889)**	**268**	**1,621**	**–**
Forward currency contracts	**(11,437)**	**11,437**	**–**	**–**	**–**	**–**
	(23,294)	**11,437**	**(11,857)**	**8,240**	**1,621**	**(1,996)**

Financial assets	Gross amount $'000	Gross amount of recognised financial liabilities set off on the statement of financial position $'000	Net amount of financial assets presented on the statement of financial position $'000	Related amounts not set off on statement of financial position Financial instruments $'000	Margin account received as collateral $'000	2023 Net amount $'000
CFDs	8,365	–	8,365	(6,055)	(1,290)	1,020
Options	254	–	254	(254)	–	–
Futures	849	–	849	–	–	849
	9,468	–	9,468	(6,309)	(1,290)	1,869

Financial liabilities	Gross amount $'000	Gross amount of recognised financial assets set off on the statement of financial position $'000	Net amount of financial liabilities presented on the statement of financial position $'000	Related amounts not set off on statement of financial position Financial instruments $'000	Margin account pledged as collateral $'000	2023 Net amount $'000
CFDs	(10,906)	–	(10,906)	6,055	4,235	(616)
Options	(1,941)	–	(1,941)	254	1,687	–
	(12,847)	–	(12,847)	6,309	5,922	(616)

Notes to the Financial Statements continued

17. Financial Instruments continued

Fair Value Hierarchy

The Company is required to disclose the fair value hierarchy that classifies its financial instruments measured at fair value at one of three levels, according to the relative reliability of the inputs used to estimate the fair values.

Classification	Input
Level 1	Valued using quoted prices in active markets for identical assets
Level 2	Valued by reference to inputs other than quoted prices included in level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly
Level 3	Valued by reference to valuation techniques using inputs that are not based on observable market data

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 valuation techniques used by the Company are explained in Note 2(b). The table below sets out the Company's fair value hierarchy

Financial assets at fair value through profit or loss	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**30 June 2024 Total $'000**
Investments in equity securities	**686,519**	**–**	**506**	**687,025**
Equity linked notes	**–**	**4,555**	**–**	**4,555**
Debt instruments	**–**	**316**	**–**	**316**
Investee funds	**–**	**–**	**4,857**	**4,857**
Derivative instrument assets – futures contracts	**268**	**–**	**–**	**268**
Derivative instrument assets – options	**6,412**	**11**	**–**	**6,423**
Derivative instrument assets – CFDs	**–**	**18,344**	**–**	**18,344**
Derivative instrument assets – forward currency contracts	**–**	**364**	**–**	**364**
	693,199	**23,590**	**5,363**	**722,152**
Financial liabilities at fair value through profit or loss				
Derivative instrument liabilities – futures contracts	**1,889**	**–**	**–**	**1,889**
Derivative instrument liabilities – options	**1,198**	**2,007**	**–**	**3,205**
Derivative instrument liabilities – CFDs	**–**	**6,763**	**–**	**6,763**
	3,087	**8,770**	**–**	**11,857**

Notes to the Financial Statements continued

17. Financial Instruments continued

Financial instruments classified under Level 2 are valued by reference to inputs other than quoted prices included in level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly. The Level 2 instruments include underlying investment funds, equity linked notes, over the counter option contracts and contracts for difference.

Financial assets at fair value through profit or loss	Level 1 $'000	Level 2 $'000	Level 3 $'000	30 June 2023 Total $'000
Investments in equity securities	751,117	–	1,009	752,126
Equity linked notes	–	17,433	–	17,433
Investee funds	–	3,943	5,106	9,049
Derivative instrument assets – futures contracts	849	–	–	849
Derivative instrument assets – options	13	241	–	254
Derivative instrument assets – CFDs	–	8,365	–	8,365
	751,979	29,982	6,115	788,076
Financial liabilities at fair value through profit or loss				
Derivative instrument liabilities – options	1,516	425	–	1,941
Derivative instrument liabilities – CFDs	–	10,906	–	10,906
	1,516	11,331	–	12,847

Valuation basis for Level 3 investments	**30 June 2024 $'000**	30 June 2023 $'000
Net asset value	**4,857**	5,106
Most recently available published price adjusted	**506**	1,009
	5,363	6,115

As the key input into the valuation of Level 3 investments is official valuation statements from the investee funds and the adjusted most recently available published price, 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 users.

The following table summarises the change in value associated with Level 3 financial instruments carried at fair value during the year:

Movements in level 3 investments during the year	**30 June 2024 Level 3 $'000**	30 June 2023 Level 3 $'000
Opening balance	**6,115**	5,809
Sales	**(8,384)**	(4,045)
Transfers into level 3	**–**	1,009
Realised (losses)/gains	**(19,431)**	3,112
Net change in unrealised gains/(losses)	**27,063**	230
Closing balance	**5,363**	6,115

During the year the Company participated in a tender offer which was being undertaken in Detsky Mir's restructuring from being a public listed company to a private company. The Company's application was successful and it received proceeds of RUB 300.5 million, (approx. $3.1 million based on exchange rates at that time).

During the year, the Company sold its position in TCS Group Holding Plc by means of a secondary market transaction. The Manager granted the attestations required to ensure the proceeds from the sale were available to the Company and it received proceeds of $4 million.

Notes to the Financial Statements continued

17. Financial Instruments continued
The Company's holdings in Russian securities have been fair valued at nil as at 30 June 2024 (2023 : nil) as a result of trading being suspended on international stock exchanges. These Russian securities have a carrying cost of $90,932,976 as at 30 June 2024 (2023: $99,959,944).

The Company's policy is to recognise transfers in and transfers out at the end of each accounting year.

Capital Risk Management
The capital of the Company is represented by the equity attributable to holders of Participating Preference Shares. The amount of equity attributable to holders of Participating Preference Shares is subject to change, at most, twice monthly as the Company is a closed-ended fund with the ability to issue additional shares only if certain conditions are met as set out in the Company's scheme particulars. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain a strong capital base to support the development of the investment activities of the Company.

18. Capital Resources and Gearing
The Company does not have any externally imposed capital requirements. The financial resources of the Company comprise its share capital, reserves and gearing, which are disclosed on the Statement of Financial Position. The Company is managed in accordance with its investment policy and in pursuit of its investment objective, both of which are detailed in the Strategic Report. The principal risks and their management are disclosed in the Strategic Report and in Note 17.

The Company's gearing at the year end is set out below:

	30 June 2024			
	Gross gearing		Net gearing	
	Exposure $'000	%[1]	Exposure $'000	%[1]
Investments	696,753	92.5	696,753	92.5
Long CFDs	366,358	48.6	366,358	48.6
Long futures	22,348	3.0	22,348	3.0
Long put options	10,698	1.4	10,698	1.4
Long call options	49,080	6.5	49,080	6.5
Total long exposures before hedges	1,145,237	152.0	1,145,237	152.0
Less: short derivative instruments hedging the above	(148,757)	(19.7)	(148,757)	(19.7)
Less: short call covered options for hedging purposes	(15,110)	(2.0)	(15,110)	(2.0)
Total long exposures after the netting of hedges	981,370	130.3	981,370	130.3
Short CFDs	170,814	22.7	(170,814)	(22.7)
Short futures	22,831	3.0	(22,831)	(3.0)
Short put options	2,269	0.3	(2,269)	(0.3)
Short call options	37	–	(37)	–
Gross Asset Exposure/net exposure	1,177,321	156.3	785,419	104.3
Net Assets	753,446		753,446	
Gearing[2]		56.3%		4.3%

Notes to the Financial Statements continued

18. Capital Resources and Gearing continued

	30 June 2023			
	Gross gearing		Net gearing	
	Exposure $'000	%[1]	Exposure $'000	%[1]
Investments	778,608	97.7	778,608	97.7
Long CFDs	312,737	39.2	312,737	39.2
Short put options	10,789	1.4	10,789	1.4
Long call options	2,879	0.4	2,879	0.4
Total long exposures before hedges	1,105,013	138.7	1,105,013	138.7
Less: short derivative instruments hedging the above	(130,176)	(16.3)	(130,176)	(16.3)
Total long exposures after the netting of hedges	974,837	122.4	974,837	122.4
Short CFDs	203,746	25.5	(203,746)	(25.5)
Short call options	6,406	0.8	(6,406)	(0.8)
Gross Asset Exposure/net exposure	1,184,989	148.7	764,685	96.1
Net Assets	796,734		796,734	
Gearing[2]		48.7%		(3.90)%

1 Exposure to the market expressed as a percentage of Net Assets.
2 Gearing is the amount by which Gross Asset Exposure/net exposure exceeds Net Assets expressed as a percentage of Net Assets.

19. Transactions with the Managers and Related Parties
FIL Investment Services (UK) Limited is the Company's Alternative Investment Fund Manager and has delegated portfolio management to FIL Investments International. Both companies are Fidelity group companies.

Details of the current fee arrangements are given in Note 4. During the year, management fees of $4,676,000 (2023: $4,613,000) were payable to the Manager. During the year, marketing fees of $269,000 (2023: $176,000) were payable to the Manager. At the year-end date the Company had a balance of management fees outstanding, full details are disclosed in Note 13. Additionally, the Company had a balance of marketing fees outstanding of $57,000 (2023: $39,000). This balance forms part of the other payables figure in Note 13.

At the date of this report, the Board consisted of five non-executive Directors (as shown on pages 28 and 29) all of whom are considered to be independent by the Board. None of the Directors has a service contract with the Company

The Directors received for the financial year fees totalling £205,829, (2023: £156,604), the breakdown of the fees is shown in the Directors' Remuneration Report on page 36. From 1 July 2024, the Chairman receives an annual fee of £52,000 (2023: £50,000), the Chairman of the Audit Committee and Senior Independent Director receive £39,500 (2023: £38,000) and the other Directors receive an annual fee of £37,500 (2023: £36,000). The following members of the Board hold Participating Preference Shares in the Company at the date of this report: Heather Manners 10,000 shares, Torsten Koster 15,000 shares, Dr Simon Colson 4,416 shares, Katherine Tsang nil shares and Mark Little* nil shares.

Directors' expenses for the year include travelling, hotel and other expenses which the Directors are entitled to when properly incurred by them in travelling to, attending and returning from meetings and while on other business of the Company.

Directors' related party interests are stated on page 36 as part of the Directors' Remuneration Report.

*Appointed 17 January 2024

Notes to the Financial Statements continued

20. Ultimate Controlling Party
In the opinion of the Directors on the basis of the shareholdings advised to them, the Company has no immediate or ultimate controlling party.

21. Segment Information
The Directors, after having considered the way in which internal reporting is provided to them, are of the opinion that the Company 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 Company's activities are interrelated, and each activity is dependant on the others. Accordingly, all significant operating decisions are based upon analysis of the Company operating in one segment.

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

A breakdown of the Company's financial assets at fair value through profit and loss is shown in the Country exposure of the Company's portfolio on pages 16 to 18.

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

22. Subsequent events
No significant events have occurred since the end of the reporting date which would impact on the financial position of the Company disclosed in the Statement of Financial Position as at 30 June 2024 or on the financial performance and cash flows of the Company for the year ended on that date.

Alternative Performance Measures

Active Share
Active Share is a measure of the percentage which stock holdings in the Company differ from the constituents of the benchmark, the MSCI Emerging Markets Index. Active share is calculated by taking the sum of the absolute difference between the weights of the holdings in the Company and those in the MSCI Emerging Markets Index and dividing the result by two. See The Year at a Glance inside the front cover of this report for further details.

Discount/Premium
The discount/premium is considered to be an Alternative Performance Measure. It is the difference between the NAV of the Company and the share price and is expressed as a percentage of the NAV. Details of the Company's discount are on the Financial Highlights page.

Gearing
Gearing is considered to be an Alternative Performance Measure. See Note 18 on page 74 for details of the Company's gearing.

Net Asset Value ("NAV") per Participating Preference Share
The NAV per Participating Preference Share is considered to be an Alternative Performance Measure. See the Statement of Financial Position on page 47 and Note 16 on page 63 for further details.

Ongoing charges ratio
Ongoing charges ratio is considered to be an Alternative Performance Measure. The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of management fees and other expenses expressed as a percentage of the average net assets throughout the year.

	30 June 2024	30 June 2023
Management fees ($'000)	**4,676**	4,613
Other expenses ($'000)[1]	**1,631**	1,619
Ongoing charges ($'000)	**6,307**	6,232
Average net assets ($'000)	**782,365**	768,785
Ongoing charges ratio	**0.81%**	0.81%

Alternative Performance Measures continued

Total Return Performance

Total return performance is considered to be an Alternative Performance Measure (as defined in the Glossary to the Annual Report on pages 86 to 88). NAV per share total return includes reinvestment of the dividend in the NAV of the Company on the ex-dividend date. Share price total return includes the reinvestment of the net dividend in the month that the share price goes ex-dividend.

The tables below provide information relating to the NAV per share and share prices of the Company, the impact of the dividend reinvestments and the total returns for the years ended 30 June 2024 and 30 June 2023.

2024	**Net asset value per share**	**Share price**
30 June 2023	**687.91p**	**587.50p**
30 June 2024	**798.47p**	**703.00p**
Change in the year	**+16.1%**	**+19.7%**
Impact of dividend reinvestment	**+2.6%**	**+2.9%**
Total return for the year	**+18.7%**	**+22.6%**

2023	Net asset value per share	Share price
30 June 2022	720.13p	633.70p
30 June 2023	687.91p	587.50p
Change in the year	-4.5%	-7.3%
Impact of dividend reinvestment	+1.9%	+2.1%
Total return for the year	-2.6%	-5.2%

Securities Financing Transactions Regulation ("SFTR")

Securities Financing Transactions (Unaudited)
The Company engages in Securities Financing Transactions (SFT) (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buysell back transactions or sell-buy back transactions and margin lending transactions). In accordance with Article 13 of the Regulation, the Company's involvement in and exposures related to SFT for the accounting year ended 30 June 2024 are detailed below.

Global Data
Amount of securities on loan
During the year ended 30 June 2024, the Company was not engaged in securities lending. The total value of securities on loan as a proportion of the Company's total lendable assets, as at the statement of financial position date, is nil.

Amount of assets engaged in CFDs
The following disclosures relate to CFDs held by the Company which may be considered Total Return Swaps under the SFTR.

As at 30 June 2024, all CFDs were contracted bilaterally with open maturities:

Broker	Fair Value $'000	Percentage of Net Assets	Collateral held by the broker $'000	Collateral held by the Company $'000
Goldman Sachs International (UK)	**1,420**	**0.19%**	**6,440**	**–**
HSBC Bank plc (UK)	**1,154**	**0.15%**	**790**	**–**
J.P. Morgan Securities plc (UK)	**6,768**	**0.90%**	**5,290**	**–**
Morgan Stanley & Co International (UK)	**570**	**0.08%**	**–**	**530**
UBS AG (UK)	**1,669**	**0.22%**	**2,300**	**–**

Collateral held by the broker was denominated in US dollars and held in a segregated account on behalf of the Company with a maturity of one day.

Settlement and clearing
OTC derivative transactions are entered into by the Fund under an International Swaps and Derivatives Associations, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement. An ISDA Master Agreement is a bilateral agreement between the Company and a counterparty that governs OTC derivative transactions (including CFDs) entered into by the parties. All OTC derivative transactions entered under an ISDA Master agreement are netted together for collateral purposes.

Share of collateral received that is reused and reinvestment return
Collateral received for CFD positions is kept in segregated accounts with the brokers and is not reinvested by the Company. There are no returns from reinvestment of collateral received.

Return and cost
All returns from CFDs are earned by the Company. Information about returns and costs related to CFDs is disclosed in Note 3 Income, Note 6 Finance Costs and Note 11 Derivative Instruments.

Notice of Annual General Meeting

NOTICE is hereby given that the thirty-fourth Annual General Meeting of Fidelity Emerging Markets Limited (the "Company") will be held at the registered office of the Company, Level 3, Mill Court La Charroterie, St Peter Port, Guernsey GY1 1EJ, on Tuesday, 10 December 2024 at 11 a.m. to consider and if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions and special resolutions as set out below:

ORDINARY RESOLUTIONS

To be proposed as ordinary resolutions:

1. To receive the Report of the Directors and audited Financial Statements for the year ended 30 June 2024.
2. To approve the Directors' Remuneration Report for the year ended 30 June 2024.
3. To re-appoint KPMG Channel Islands Limited as Independent Auditor to the Company.
4. To authorise the Directors to agree the remuneration of the Independent Auditor.
5. To declare a final dividend of $0.20 per share designated as a Participating Redeemable Preference Share (the "Participating Preference Shares") to be paid in respect of the financial year ended 30 June 2024.
6. To re-elect Ms Heather Manners as a Director of the Company.
7. To re-elect Dr Simon Colson as a Director of the Company.
8. To re-elect Mr Torsten Koster as a Director of the Company.
9. To elect Mr Mark Little as a Director of the Company.
10. To re-elect Ms Katherine Tsang as a Director of the Company.
11. THAT the Directors be generally and unconditionally authorised to allot and issue, grant rights to subscribe for, or to convert securities into, up to 23,958,326 Participating Preference Shares (being 33.33 per cent. of the Company's shares of each class in issue as at the latest practicable date prior to the date of publication of this document (excluding shares held in treasury)) for the period expiring on the date falling fifteen months after the date of passing of this Resolution 13 or the conclusion of the next annual general meeting of the Company, whichever is the earlier, save that the Company may before such expiry make an offer or agreement which would or might require shares to be allotted and issued after such expiry and the Directors may allot and issue shares in pursuance of such an offer or agreement as if the authority had not expired.

SPECIAL RESOLUTIONS

To be proposed as special resolutions:

12. THAT, In substitution for the Company's existing authority to make market purchases of Participating Preference Shares, the Company is authorised to make market purchases of Participating Preference Shares, PROVIDED THAT:
    (a) the maximum number of Participating Preference Shares that may be purchased shall be 10,755,137 being 14.99% of the issued number of Participating Preference Shares at the date of this document or, if lower, such number as is equal to 14.99% of the issued number of Participating Preference Shares at the date of passing the resolution;

    (b) the maximum price which may be paid for a Participating Preference Share is an amount equal to 105% of the average of the middle market quotations for a Participating Preference Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the Participating Preference Share is purchased;

    (c) the authority hereby conferred shall expire at the conclusion of the last Annual General Meeting of the Company unless such authority is renewed prior to such time; and

    (d) the Company may make a contract to purchase Participating Preference Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make a purchase of Participating Preference Shares pursuant to any such contract.
13. THAT, in accordance with Article 9(4) of the articles of incorporation of the Company (the "Articles"), the Directors be empowered to allot and issue (or sell from treasury) 7,188,217 Participating Preference Shares (being 10 per cent. of the such Shares in issue of each class as at the latest practicable date prior to the date of this notice (excluding shares held in treasury)) for cash as if Article 9.4 of the Articles did not apply to the allotment and issue (or sale from treasury) for the period expiring on the date falling fifteen months after the date of passing of this Resolution 13 or the conclusion of the next annual general meeting of the Company, whichever is the earlier, save that the Company may before such expiry make offers or agreements which would or might require shares to be allotted and issued (or sold) after such expiry and the Directors may allot and issue (or sell) shares in pursuance of any such offer or agreement notwithstanding that the power conferred by this Resolution 13 has expired.

Notice of Annual General Meeting continued

Notes to the Notice of Meeting

1. A member of the Company who is entitled to attend the AGM is entitled to appoint one or more proxies to attend speak and vote in his or her place. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them. A member may appoint more than one proxy to attend the meeting provided that each proxy is appointed to exercise rights attached to different shares.

2. To allow effective constitution of the AGM, if it is apparent to the Chairman that no members of the Company will be present in person or by proxy, other than by proxy in the Chairman's favour, the Chairman may appoint a substitute to act as proxy in his stead for any member, provided that such substitute proxy shall vote on the same basis as the Chairman.

3. A form of proxy is enclosed which should be completed in accordance with the instructions. To be valid, the form of proxy (together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such authority) must be deposited with the Company's Registrar Computershare Investor Services (Guernsey) Limited, c/o the Pavilions, Bridgwater Road, Bristol BS99 6ZY by not less than 48 hours before the time for holding the meeting or any adjournment thereof at which the person named in the instrument proposes to vote. Completion of the form of proxy will not preclude a member from attending and voting in person, your proxy appointment will automatically be terminated.

4. To change your proxy instructions simply submit a new proxy form using the methods set out above and in the notes to the proxy form. Note that the cut-off date and time for receipt of a proxy form (see above) also apply in relation to amended instructions; any amended proxy form received after the relevant cut-off date and time will be disregarded. If you submit more than one valid proxy form, the form received last before the latest time for the receipt of proxies will take precedence.

5. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's Registrar. In the case of a member which is an individual the revocation notice must be under the hand of the appointer or of his attorney duly authorised in writing or in the case of a member which is a company, the revocation notice must be executed under its common seal or under the hand of an officer of the company or an attorney duly authorised. Any power of attorney or any other authority under which the revocation notice is signed (or a notarially certified copy of such power or authority) must be included with the revocation notice.

6. The revocation notice must be received by 8:30 a.m. on 6 December 2024. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

7. The Company gives notice that those Shareholders entered on the register of members of the Company at 8:30 a.m. on 6 December 2024 (or their duly appointed proxies) will be entitled to attend and vote at the aforesaid meeting in respect of the number of shares registered in their name at that time. Changes to the entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the AGM.

Administration

Registered Office
Level 3, Mill Court La Charroterie
St Peter Port
Guernsey GY1 1EJ

Website
www.fidelity.co.uk/emergingmarkets

Alternative Investment Fund Manager (from 4 October 2021)
FIL Investment Services (UK) Limited
Beech Gate
Millfield Lane
Lower Kingswood
Tadworth
Surrey KT20 6RP

Investment Manager and Company Secretary
FIL Investments International
Beech Gate
Millfield Lane
Lower Kingswood
Tadworth
Surrey KT20 6RP

Custodian
JP Morgan Chase Bank
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom
(Authorised and regulated by the United Kingdom's Financial Conduct Authority)

Administrator
J.P. Morgan Administration Services (Guernsey) Limited
Level 3, Mill Court La Charroterie
St Peter Port
Guernsey GY1 1EJ
(Authorised and regulated by the Guernsey Financial Service Commission)

Registrar
Computershare Investor Services (Guernsey) Limited
C/o 13 Castle Street
St. Helier
Jersey JE1 1ES
Channel Islands
Telephone: +44 (0) 370 707 4040
www.investorcentre.co.uk/je

Stockbrokers
JP Morgan Cazenove
25 Bank Street
Canary Wharf
London E14 5JP
United Kingdom

Jefferies International Limited
100 Bishopsgate
London EC2N 4JL
United Kingdom

Independent Auditor
KPMG Channel Islands Limited
Glategny Court
Glategny Esplanade
St. Peter Port
Guernsey GY1 1WR

General Data Protection Regulation ("GDPR")

What personal data is collected and how it is used

The Company is an investment trust which is a public limited company and has certain regulatory obligations such as the requirement to send documents to its shareholders, for example, the Annual Report and other documents that relate to meetings of the Company. The Company will therefore collect shareholders' personal data such as names, addresses and identification numbers or investor codes and will use this personal data to fulfil its statutory obligations.

Any personal data collected will be kept securely on computer systems and in some circumstances on paper. Personal information is kept secure in line with Fidelity's Information Security policies and standards. If you are unhappy with how we have used your personal data, you can complain by contacting the UK Data Protection Officer at Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Sharing personal data

In order to assist the Company in meeting its statutory requirements, the Company delegates certain duties around the processing of this data to its third party service providers, such as the Company's Registrar and Printers. The Company has appointed Fidelity to undertake marketing activities for the Company and their privacy statement can be found on the Company's website at **https://investment-trusts.fidelity.co.uk/privacy-policy/**

The Company's agreements with the third party service providers have been updated to be compliant with GDPR requirements. The Company confirms to its shareholders that their data will not be shared with any third party for any other purpose, such as for marketing purposes. In some circumstances, it may be necessary to transfer shareholders' personal data across national borders to Fidelity Group entities operating in the European Economic Area ("EEA"). Where this does occur, the European standard of protections will be applied to the personal data that is processed. Where personal data is transferred within the Fidelity Group, but outside of the EEA, that data will subsequently receive the same degree of protection as it would in the EEA.

Retention Period

We will keep the personal data for as long as is necessary for these purposes and no longer than we are legally permitted to do so.

Requesting access, making changes to your personal data and other important information

Shareholders can access the information that the Company holds about them or ask for it to be corrected or deleted by contacting Fidelity's UK Data Protection Officer, Fidelity International, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth, Surrey KT20 6RP.

Fair treatment of investors

The legal and regulatory regime to which the Company and the Directors are subject ensures the fair treatment of investors. The Listing Rules require that the Company treats all Shareholders of the same class of shares equally. In particular, the Directors have certain statutory duties under the Companies (Guernsey) Law, 2008 with which they must comply. These include a duty upon each Director to act in the way she or he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole.

Alternative Investment Fund Manager's Disclosure (unaudited)

In compliance with the Alternative Investment Fund Managers' Directive ("AIFMD"), the Board has appointed FIL Investment Services (UK) Limited ("FISL") as the Company's Alternative Investment Fund Manager ("AIFM"). FISL has delegated the investment management to FIL Investments International ("FII") and the company secretarial function.

Details of the current Management Agreement can be found in the Strategic Report on pages 20 to 27.

The table below discloses information required by the Alternative Investment Fund Managers' Regulations 2013.

Function	AIFM Role and Responsibility	AIFMD Disclosure
Investment management	The AIFM provides portfolio management of assets and investment advice in relation to the assets of the Company. It has delegated this function to FIL Investments International ("FII"). The Board remains responsible for setting the investment strategy, investment policy and investment guidelines and the AIFM operates within these guidelines.	Details of the Company's investment objective, strategy and investment policy, including limits, are on pages 20 and 21.
Risk management	The AIFM has a responsibility for risk management for the Company which is in addition to the Board's corporate governance responsibility for risk management. The Company has a Risk Management Process Document which is agreed with the Board and demonstrates that risk management is separated functionally and hierarchically from operating units and demonstrates independence safeguards. The Manager maintains adequate risk management systems in order to identify, measure and monitor all risks at least annually under AIFMD. The Manager is responsible for the implementation of various risk activities such as risk systems, risk profile, risk limits and testing. The Board, as part of UK corporate governance, remains responsible for the identification of significant risks and for the ongoing review of the Company's risk management and internal control processes.	The AIFM has an ongoing process for identifying, evaluating and managing the principal risks faced by the Company and this is regularly reviewed by the Board. The Board remains responsible for the Company's system of risk management and internal controls and for reviewing its effectiveness. Further details can be found in the Strategic Report on pages 20 to 27 and in Note 17 to the Financial Statements on pages 63 to 74.
Valuation of illiquid assets	AIFMD requires the disclosure of the percentage of the Alternative Investment Fund's assets which are subject to special arrangements arising from their illiquid nature and any new arrangements for managing the liquidity of the Company.	As at the date of this report, none of the Company's assets is subject to special arrangements arising from its illiquid nature.

Alternative Investment Fund Manager's Disclosure (unaudited) continued

Function	AIFM Role and Responsibility	AIFMD Disclosure
Leverage	The Company may be geared through (i) borrowing of up to 10% of its net asset value and/or (ii) by entering into derivative positions (both long and short) which have the effect of gearing the Company's portfolio, to enhance performance. The AIFM has set maximum levels of leverage that are reasonable. It has implemented systems to calculate and monitor compliance against these limits and has ensured that the limits have been complied with at all times. There are two methods of calculating leverage – the Gross Method which does not reduce exposure for hedging; and the Commitment Method which does reduce exposure for hedging.	The maximum leverage limits are 2.50 for the Gross Method of calculating leverage and 2.00 for the Commitment Method. At 30 June 2024, actual leverage was 2.04 for the Gross Method and 1.87 for the Commitment Method.
Liquidity management	The AIFM, in consultation with the Board, maintains a liquidity management policy which is considered at least annually.	The Company's assets mainly comprise readily realisable securities and derivative instruments which can be sold easily to meet funding commitments if necessary. Further details can be found in Note 17 on page 66.
Remuneration of the AIFM	The AIFM operates under the terms of Fidelity's Global Remuneration Policy Statement. This ensures that the AIFM complies with the requirements of the FCA's Remuneration Code (SYSC19A); the AIFM Remuneration Code (SYSC19B) and the BIPRU Remuneration Code (SYSC19C).	Details of Fidelity International's Global Remuneration Policy can be found at **www.fidelityinternational.com/global/remuneration/default.page**

Glossary to the Annual Report

ACTIVE SHARE
Active Share is a measure of the percentage by which stock holdings in the Company differ from the constituents of the benchmark, the MSCI Emerging Markets Index. Active share is calculated by taking the sum of the absolute difference between the weights of the holdings in the Company and those in the MSCI Emerging Markets Index and dividing the result by two.

ADR (AMERICAN DEPOSITARY RECEIPT)
A negotiable certificate issued by a US bank representing a specified number of shares in a foreign stock that is traded on a US Exchange.

AIC
The Association of Investment Companies ("AIC"). The Company is a member of the AIC.

AIF
Alternative Investment Fund ("AIF"). The Company is an AIF.

AIFM
Alternative Investment Fund Manager ("AIFM"). The Board has appointed FIL Investment Services (UK) Limited to act as the Company's AIFM.

AIFMD
The Alternative Investment Fund Managers Directive ("AIFMD") is a European Union Directive implemented on 22 July 2014.

ALTERNATIVE PERFORMANCE MEASURES
The Company uses the following Alternative Performance Measures which are all defined in this Glossary:

- Active Share
- Discount/Premium;
- Gearing (Gross and Net);
- Net Asset Value (NAV) per Participating Preference Share;
- Ongoing Charges ratio;
- Total Return Performance (Net Asset Value Total Return or Share Price Total Return)

ASSET EXPOSURE
The value of an underlying security or instrument to which the Company is exposed, whether through direct or indirect investment (including the economic value of the exposure in the underlying asset of derivative).

AUDITOR
KPMG Channel Islands Limited, or such other auditor, as the Company may appoint from time to time.

BENCHMARK INDEX (THE INDEX)
The Company's benchmark index, the MSCI Emerging Markets Index.

COLLATERAL
Assets provided as security.

CONTRACT FOR DIFFERENCE (CFD)
A contract for difference is a derivative. It is a contract between the Company and an investment bank at the end of which the parties exchange the difference between the opening price and the closing price of the underlying asset of the specified financial instrument. It does not involve the Company buying or selling the underlying asset, only agreeing to receive or pay the movement in its share price. A contract for difference allows the Company to gain access to the movement in the share price by depositing a small amount of cash known as margin. The Company may reason that the asset price will rise, by buying ("long" position) or fall, by selling ("short" position). If the Company holds long positions, dividends are received and interest is paid. If the Company holds short positions, dividends are paid and interest is received.

CUSTODIAN
An entity that holds (as intermediary) the Company's assets, arranges the settlement of transactions and administers income, proxy voting and corporate actions. The Company's Custodian is JPMorgan Chase Bank.

DERIVATIVES
Financial instruments whose value is derived from the value of an underlying asset or other financial instruments. The main categories of derivatives are contracts for difference, warrants, futures and options.

DISCOUNT
If the share price of the Company is lower than the Net Asset Value per Participating Preference Share, the Company's shares are said to be trading at a discount. It is shown as a percentage of the Net Asset Value per Participating Preference Share.

EARNINGS
The earnings generated in a given period from investments:

- **Revenue Earnings** – reflects the dividends and interest from investments and other income, net of expenses, finance costs and taxation;
- **Capital Earnings** – reflects the return on capital, excluding any revenue earnings; and
- **Total Earnings** – reflects the aggregate of revenue and capital earnings.

Glossary to the Annual Report continued

EQUITY LINKED NOTES (ELNS)
Debt instruments whose return on investment is linked to specific equities or equity markets. The return on equity linked notes may be determined by an equity index, a basket of equities, or a single equity.

EQUITY SHAREHOLDERS' FUNDS
Also described as Net Asset Value, Shareholders' Funds represent the total value of the Company's assets less the total value of its liabilities as shown in the Statement of Financial Position.

FAIR VALUE
The fair value is the best estimate of the value of the investments, including derivatives, at a point in time and this is measured as:

- Listed investments – valued at bid prices or last market prices, where available, otherwise at published price quotations;
- Unlisted investments – valued using an appropriate valuation technique in the absence of an active market;
- Contracts for difference – valued as the difference between the settlement price of the contract and the value of the underlying shares in the contract (unrealised gains or losses);
- Futures and options – valued at the quoted trade price for the contract; and
- Forward currency contracts – valued at the appropriate quoted forward foreign exchange rate ruling at the Statement of Financial Position date.

FIDELITY
FIL Investments International.

FIL LIMITED
The ultimate parent company of the FIL Group of companies. Incorporated in Bermuda.

FIL
FIL Limited and each of its subsidiaries.

FORWARD CURRENCY CONTRACT
Agreement to buy or sell a currency at a specified future date and at a pre-agreed price.

FUTURE OR FUTURE CONTRACT
An agreement to buy or sell a stated amount of a security, currency or commodity at a specific future date and at a preagreed price.

GROSS ASSET EXPOSURE
The value of the portfolio to which the Company is exposed, whether through direct or indirect investment (including the economic value of the exposure in the underlying asset of the derivatives, but excluding forward currency contracts).

GEARING
The economic exposure of the portfolio to its underlying assets in excess of total net assets. It represents the additional exposure to the market above Equity Shareholders' Funds. The Company uses two measures of gearing:

- Gross gearing which is the amount by which Gross Asset Exposure exceeds Equity Shareholders' Funds expressed as a percentage of Equity Shareholders' Funds.
- Net gearing which is the amount by which Net Asset Exposure exceeds Equity Shareholders' Funds expressed as a percentage of Equity Shareholders' Funds.

HEDGES
Short positions that demonstrate risk-reduction qualities by offsetting long positions held by the Company which have regional congruence and a correlation of at least 80% to the Long Exposure of the Company.

INVESTMENT MANAGER
FIL Investments International

LONG EXPOSURE
The value of the Company's direct and indirect investments in long positions (including the economic value of the exposure to the reference asset of any derivative instrument).

MANAGER
FIL Investment Services (UK) Limited is the appointed Manager under the Alternative Investment Fund Managers' Directive ("AIFMD") and has delegated the investment management of the Company to the Investment Manager.

MSCI EMERGING MARKETS INDEX
The Benchmark Index of the investment performance of the Company, in UK sterling terms.

NET ASSET VALUE PER PARTICIPATING PREFERENCE SHARE TOTAL RETURN
NAV per Participating Preference Share Total Return is a measure showing how the NAV per Participating Preference Share has performed over a period of time, taking into account dividends paid to shareholders. Total Return measures allow shareholders to compare performance between investment funds where the dividend paid may differ. To calculate Total Return, it is assumed that dividends are reinvested into the assets of the Company at the prevailing NAV on the last day of the month that the shares first trade ex-dividend.

NET ASSET VALUE PER PARTICIPATING PREFERENCE SHARE
Net Assets are the value of the Company's assets less its liabilities. Net Asset Value ('NAV') per Participating Preference Share is the Net Assets divided by the number of Participating Preference Shares in issue.

NET ASSETS
The value of the Company's assets minus its liabilities.

Glossary to the Annual Report continued

NET MARKET EXPOSURE
Net positive market exposure of the Company's portfolio, whether through direct or indirect investment, with short and hedge positions subtracted from long positions. It is calculated as (Long Exposure – Hedges) – Short Exposure.

ONGOING CHARGES RATIO
The ongoing charges ratio is a measure used to estimate the expenses likely to occur in the foreseeable future. It is calculated by dividing the annualised ongoing charges (total operating expenses excluding transaction costs and one-off charges) by the average month end net asset values of the Company for the year under review and has been prepared in accordance with the AIC's recommended methodology.

OPTIONS
An option is a contract which gives the right but not the obligation to buy or sell an underlying asset at an agreed price on or before an agreed date. Options may be call or put and are used to gain or reduce exposure to the underlying asset on a conditional basis.

PORTFOLIO
The Company's portfolio which may be made up of equities, index linked securities, equity linked notes and other debt securities, cash deposits, money market instruments, foreign currency exchange transactions and other interests including derivatives (such as futures, options and contracts for difference).

PREMIUM
If the share price of the Company is higher than the net asset value per ordinary share, the Company's shares are said to be trading at a premium. The premium is shown as a percentage of the net asset value per ordinary share.

REGISTRAR
The entity that manages the Company's shareholder register. The Company's Registrar is Computershare Investor Services (Guernsey) Limited.

RESERVES
- **Share premium account** represents the amount by which the proceeds from the issue of ordinary shares has exceeded the cost of those ordinary shares. It is not distributable by way of dividend and cannot be used to fund share repurchases.

- **Capital reserve** represents realised gains or losses on investments and derivatives sold, unrealised increases and decreases in the fair value of investments and derivatives held and other income and costs recognised in the capital column of the Statement of Comprehensive Income. It can be used to fund share repurchases and it is distributable by way of dividend.

- **Revenue reserve** represents retained revenue surpluses recognised through the revenue column of the Statement of Comprehensive Income. It is distributable by way of dividend.

SECRETARY
FIL Investments International.

SHARE PRICE TOTAL RETURN
Share Price Total Return is a measure showing how the Share Price has performed over a period of time, taking into account dividends paid to shareholders. Total Return measures allow shareholders to compare performance between investment funds where the dividend paid may differ. To calculate Total Return, it is assumed that dividends are reinvested into the shares of the Company at the prevailing Share Price on the last day of the month that the shares first trade ex-dividend.

SHARE PRICE
The Share Price taken is the closing price. This is the price at which the Company's shares trade on the London Stock Exchange at the end of trading on a business day.

SHORT EXPOSURE
The position of the Company when it has sold a security or derivative that it does not own but is now committed to eventually purchase in order to satisfy its obligation to sell. It is a strategy used to capitalise on an expected decline in the security's or derivative's price.

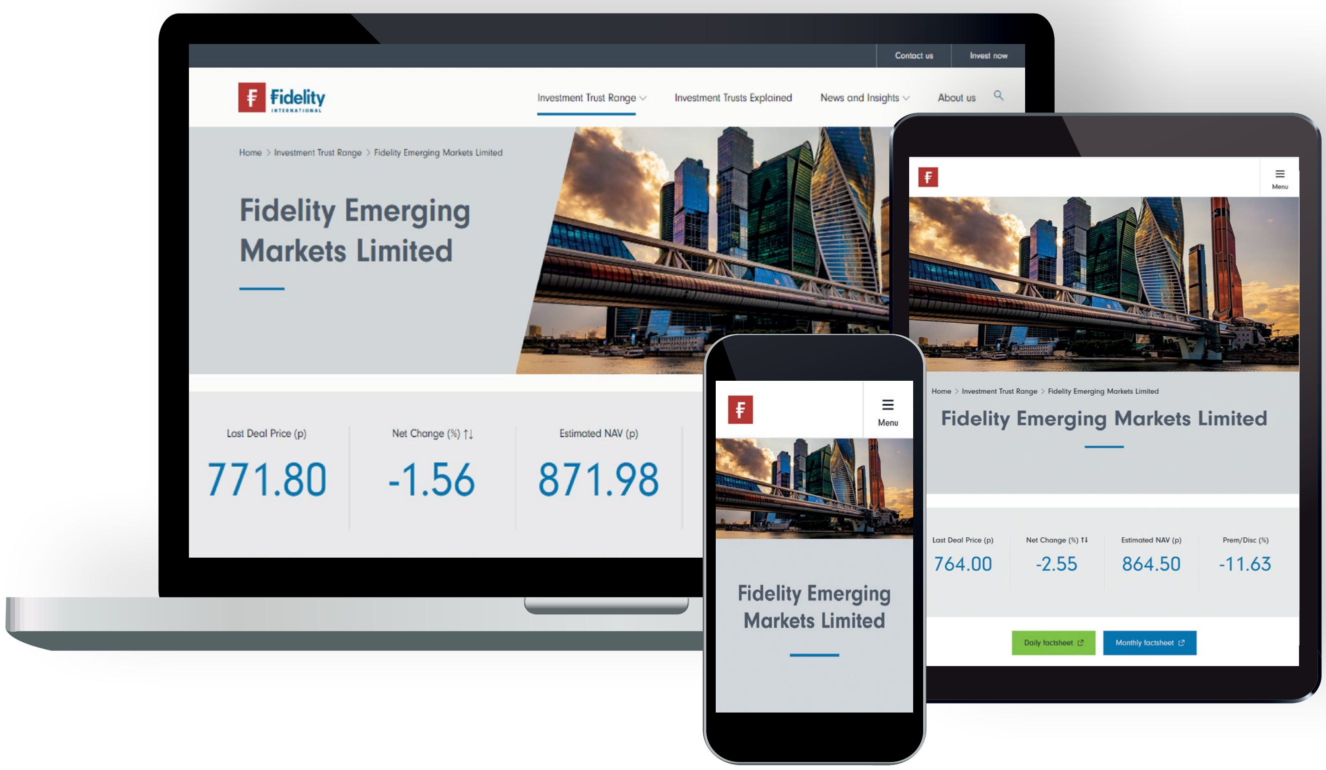
SIZE OF COMPANY (MARKET CAP)
- Large – above $50bn;

- Medium – between $10bn – $50bn;

- Small – below $10bn

TOTAL ASSETS
Net Assets plus borrowings. The Company does not have any borrowings.

UNLISTED COMPANIES
Companies not listed on a regulated stock exchange. They are stated at best estimate of fair value, based on recognised valuation techniques which may take account of recent arm's length transactions in the investments.



To find out more about Fidelity Emerging Markets Limited, visit our website at www.fidelity.co.uk/emergingmarkets where you can read articles and watch videos on the Company.

www.fidelityinvestmenttrusts.com

Printed on FSC® certified paper.

100% of the inks used are vegetable oil based 95% of press chemicals are recycled for further use and on average 99% of any waste associated with this production will be recycled.

The FSC® logo identifies products which contain wood from well-managed forests certified in accordance with the rules of the Forest Stewardship Council®.

This document is printed on Cocoon Silk; a paper made using 50% recycled fibre from genuine waste paper and 50% virgin fibre.

The unavoidable carbon emissions generated during the manufacture and delivery of this document, have been reduced to net zero through a verified, carbon offsetting project.

FSC
www.fsc.org
MIX
Paper | Supporting responsible forestry
FSC® C115703