



JUPITER EMERGING & FRONTIER INCOME TRUST PLC

Half Yearly Financial Report

For the six months ended 31 March 2021

**JUPITER**

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Investment Objective, Investment Policy, Investment Restrictions and Benchmark Index

Investment Objective

The Company's investment objective is to achieve capital growth and income, both over the long term, through investment predominantly in companies exposed directly or indirectly to Emerging Markets and Frontier Markets worldwide.

Investment Policy

The Company will invest at least 70% of Total Assets in companies that, at the time of investment, have their registered offices or principal places of business in Emerging Markets or Frontier Markets, or which exercise a material part of their economic activities in Emerging Markets and/or Frontier Markets, and which are considered by the Investment Manager to be undervalued or otherwise to offer good prospects for capital growth.

The Company may invest up to 25% of Total Assets in companies that, at the time of investment, have their registered offices or principal places of business in, or which exercise a material part of their economic activities in, Frontier Markets (calculated at the time of investment).

The Company may invest up to 5% of Total Assets in unquoted companies (calculated at the time of investment).

The Company will invest no more than 10% of Total Assets in any single holding (calculated at the time of investment).

The Company's portfolio is expected to be diversified across a number of geographical areas and, whilst there are no specific limits placed on exposure to any one geographical area, the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

The Company does not expect to take controlling interests in investee companies.

The Company will not be restricted to investing in constituent companies of the Benchmark.

"Emerging Market" means each constituent country of the Benchmark (the MSCI Emerging Markets Index) from time to time.

"Frontier Market" means each country that is not a constituent of either the MSCI Emerging Markets Index or the MSCI Developed Markets Index. Generally, the Investment Manager considers Frontier Markets to be smaller, less well established economies that are at an earlier stage of economic and political development than Emerging Markets. Examples of countries that the Investment Manager currently considers to be Frontier Markets are Vietnam and Nigeria.

The Company may, in pursuance of the investment objective:

- invest in equity and equity-related securities (including quoted preference shares, quoted convertible unsecured loan stock, quoted warrants and other similar securities);
- hedge against directional risk using index futures and/or cash;
- hold bonds and warrants on transferable securities;
- utilise options and futures for hedging purposes and for efficient portfolio management;
- enter into contracts for differences;
- hold participation notes;
- use forward currency contracts; and
- hold liquid assets.

Notwithstanding the above, the Company does not intend to utilise derivatives or other financial instruments to take short positions, nor to increase the Company's gearing in excess of the limit set out in the borrowing policy.

It is expected that the Company's investments will predominantly be exposed to non-sterling currencies in terms of their revenues and profits. The base currency of the Company is sterling and it will pay any dividends to Shareholders in sterling, which creates a potential currency exposure. Whilst the Company retains the flexibility to do so, it is expected in the normal course that this potential currency exposure will not be hedged using any sort of foreign currency transactions, forward transactions or derivative instruments.

The Company may deploy gearing of up to 20% of Net Asset Value (calculated at the time of borrowing) to seek to enhance long-term capital growth and income returns and for the purpose of capital flexibility. The Company's gearing is expected to primarily comprise bank borrowings but may include the use of derivative instruments and such other methods as the Board may determine.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

Investment Restrictions

The Company will at all times invest and manage its assets with the objective of spreading risk and in accordance with its published investment policy.

The Company will not invest more than 10% of its Total Assets in other listed closed ended investment funds (as defined in the Listing Rules).

Benchmark Index

MSCI Emerging Markets Index (Total Return) in sterling.

The constituent countries of the Benchmark are Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The latest list of constituent countries of the MSCI Emerging Markets Index can also be obtained from the MSCI at www.msci.com/emergingmarkets.

Financial Highlights

for the six months ended 31 March 2021

Capital Performance

	31 March 2021	30 September 2020	% change
Total assets less current liabilities (£'000)	91,416	75,131	+21.7

Ordinary Share Performance

	31 March 2021	30 September 2020	% change
Net asset value (pence)	106.96	87.91	+21.7
Net asset value total return with dividends added back (pence)*	108.96	87.91	+23.9
Middle market price (pence)	99.50	80.00	+24.4
Middle market price with dividends paid during the period (pence)			+26.9
MSCI Emerging Markets Index (Total Return) in Sterling	691.1	641.63	+7.7
Discount to net asset value (%)*	(7.0)	(9.0)	-
Total dividends declared during the period / year (pence)	2.0 ¹	4.4	-
Ongoing charges figure (%) excluding finance costs*	1.43	1.35	+5.4

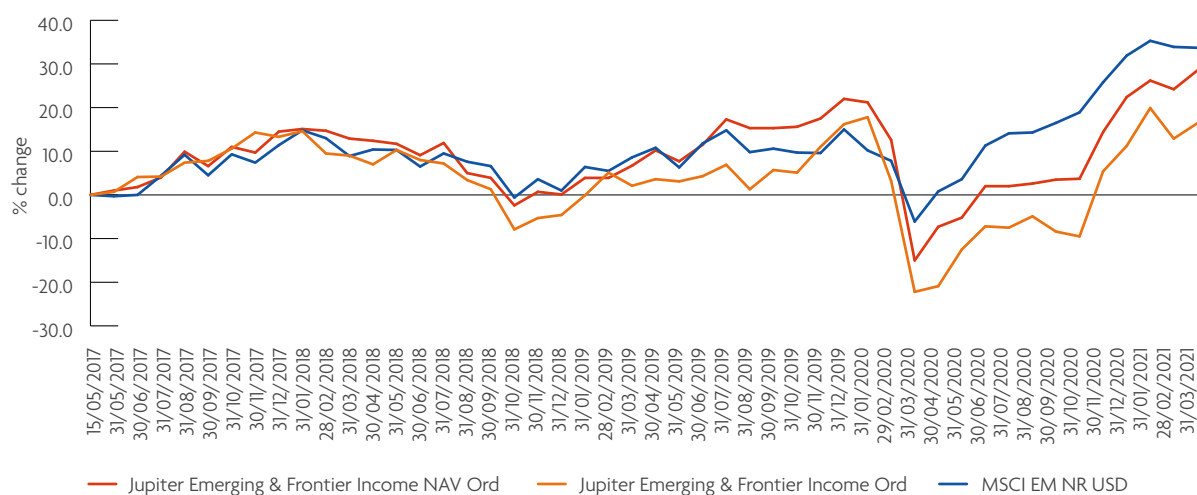
* Alternative performance measure.

¹ The total dividends declared of 2.0p covers the six months to 31 March 2021 and not the full financial year.

For definitions of the above terms please refer to the Glossary of Terms on pages 27 and 28.

The graph below provides details of the Company's performance by reference to the Ordinary share price and net asset value ('NAV') compared against the MSCI Emerging Markets Index (Total Return) in sterling.

Performance from 15 May 2017 to 31 March 2021



Chairman's Statement

I am pleased to be introducing the Half Yearly Financial Report for Jupiter Emerging & Frontier Income Trust PLC ("JEFIT", or the "Company") for the six months ended 31 March 2021. A year ago, writing at a time when world markets had taken a battering in reaction to a pandemic to which no solutions had been identified, I said this was a time for strong nerves, and in the 12 months that have passed these have been demonstrated by the Company's Investment Adviser, which has broadly stuck to its guns and adhered to its investment philosophy – with excellent results.

As was made clear in our last Annual Report, the investment conditions experienced in the year to 30 September 2020 were not kind to your Company. Covid-19 ('Covid') had hit the world early in 2020 and valuations of the stocks which we typically hold suffered as investors fled to the apparent safety of mega-cap stocks in developed markets and, in particular, those technology companies which benefitted from consumers staying at home. I am happy to say that the past six months have seen a significant swing of investor sentiment in our favour. During the period under review, the Company's share price and Net Asset Value ('NAV'), with dividends added back, returned 26.9% and 23.9% respectively. This compares with a total return of 7.7% for our benchmark, the MSCI Emerging Markets Index (Total Return) in sterling, thus making up much of the relative underperformance of last year.

Our investment performance

The Company's recent investment performance is considered in detail in the Investment Adviser's Review on pages 8 to 10. In summary, however, some of the contributing factors over the last six months have included exposure to lowly-valued stocks whose prospects are now being viewed more positively by the market, helped by the Investment Adviser's sensible approach to valuation discipline when selecting investments for the Company's portfolio. In addition, exposure to the technology sector has aided returns, while the Investment Adviser has added value through stock selection across the market capitalisation spectrum.

The markets into which the Company invests are both complex and volatile; very often their performance and valuation can be significantly affected by remote events. What is more, market moods can change quickly, as we have seen in recent months. While investment patterns rotate, a consistent, repeatable investment process underpinned by sound principles, tends to deliver superior returns over the long term.

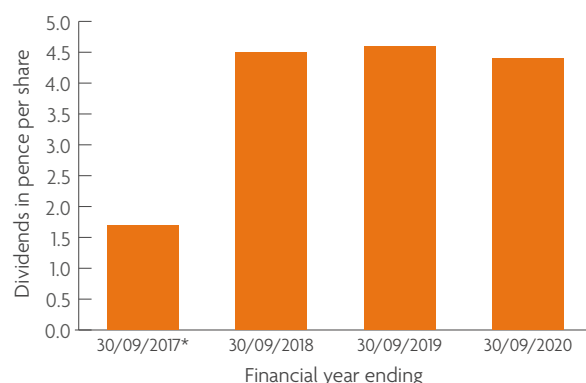
Dividends

Shareholders will be aware that the Company pays four dividends annually, which for this financial year are intended to be paid in March, June, September and December. In February we declared a first interim dividend of 1 penny per share, which was paid on 26 March 2021. On 25 May 2021 the Board declared a second interim dividend of 1 penny which will be paid on 25 June 2021 to those shareholders on the register as at 4 June 2021. The ex-dividend date is 3 June 2021.

In the previous financial year, total dividends declared per share were 4.4 pence, being two interims of 1.2 pence, followed by two further distributions of 1 penny each. Thus the dividends we have declared so far in this financial year represent a reduction as compared with their counterparts in 2019/20. As was explained in the Annual Report, this is a consequence of widespread dividend cuts in our underlying investments, in most cases attributed to the pandemic, but to an extent also a reflection of the current strength of sterling. Happily, we are now seeing a good recovery in our revenue account, which, should allow us to revert to the progressive dividend policy we intend to offer to shareholders.

Chairman’s Statement (continued)

Dividend History since launch



Source: Jupiter.

* Dividend attributable to the period from launch to 30 September 2017.

Environmental and other threats

The Covid pandemic has served to remind the world of the fragility of the ecosystem in which mankind has come to play such a dominant role. The existential threats posed by global warming, population growth, the collapse in biodiversity and the scarcity of fresh water pose significant threats to the world and particularly the countries in which your Company invests. With these issues so central to our futures, I am pleased to note that the Investment Adviser has committed to achieving net zero emissions by 2050 across its full range of investments and operations, including this Company, reflecting the need to limit global warming to less than 1.5 degrees Centigrade in line with the Paris Agreement. The Investment Adviser has also aligned its strategy, purpose and principles with the UN Global Compact such that all investment decisions and engagement are guided by the principles of this compact and all investee companies are expected to abide by its Ten Principles, committing to meeting fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption.

Annual redemption facility

Shareholders will be aware that, at the discretion of the Board, the Company offers a redemption facility, whereby once a year investors may elect to redeem their shares. In earlier years, redemptions have been at a modest level, but this year shareholders representing approximately 30% of JEFIT’s register have notified us of their wish to redeem. This is

clearly a disappointing outcome, particularly in the context of the excellent share price performance which has been seen in the past six and twelve months.

In order to return funds to the exiting shareholders, the Directors have elected to use the redemption pool method, under which at close of business on 29 June 2021, each of the Company’s portfolio holdings together with the Company’s other assets and liabilities will be divided in proportion to the percentage of shareholders opting for redemption, with 30% set aside in a redemption pool. Exiting shareholders will receive the proceeds of the liquidation of the assets of the redemption pool after deduction of relevant costs and liabilities. Proceeds will be distributed as soon as practicable. The immediate consequence for continuing shareholders is that the size of JEFIT will shrink by some 30% and the ongoing expense ratio will rise from 1.43% to an estimated 1.51%, based on an unaudited NAV of £69 million as at 18 June 2021. Your Board recognises that this makes the size of the Company smaller than is desirable for an investment trust. Early in the Company’s life, we were successful in growing JEFIT by issuing new shares, but in the past two years this has reversed while we have been thwarted by a number of headwinds, of which Covid has been the most severe and the strength of sterling the most recent.

At the same time, we have received much positive and encouraging feedback from shareholders and intermediaries, who see JEFIT for what it is – a vehicle which provides investors with a route to many of the world’s less accessible markets, while generating an attractive running return by way of dividends. With this in mind, your Board has resolved to strengthen its attempts to grow the Company on the back of its performance record and – if conditions allow – the issuance of equity.

Outlook

The election of President Biden is, we believe, positive for our investment proposition. It not only moves us on from the pugilistic rhetoric of ‘America First’, it also signals a more nuanced approach to international diplomacy which is likely to simplify life for many of the countries into which we invest. There are, nonetheless, a number of headwinds which we face and for the moment many of them have to do with Covid.

It was already clear by the end of March 2021 – the mid-point of our financial year – that, notwithstanding the astonishing success of various vaccines and the speed of their development and certification, we are unlikely to see a swift end to the pandemic worldwide. The emergence of new variants of Covid has come as a nasty shock to many countries which believed that they had got the virus broadly under control. Balanced against the good news being seen in those countries which have already implemented rapid vaccine deployments is the deeply worrying news from key emerging markets, such as India and Brazil, which continue to experience high levels of Covid infections, often with significantly worse outcomes than were experienced in earlier waves.

Pictures of people gasping for air in the back of taxis while unable to gain access to overflowing hospitals do not provide the reassurances that capital markets might be expecting of a pandemic which is already some 18 months old. It simply tells the world two things: whatever medical miracles may have been achieved so far, there is still much to learn about this illness, which has certainly not lost its ability to surprise. Secondly, that although high vaccination rates are proving effective at containing the pandemic, this success is for now confined to certain affluent parts of the world, there being many regions where vaccinations have hardly begun.

We have also been reminded in recent months of some of the broader risks of investing in emerging markets. Controversial decisions by the Presidents of Brazil and Turkey – just one example for the former being ousting the CEO of Petrobras and replacing him with an army general and, for the latter, the

sacking of yet another head of Turkey’s central bank – underline the political risk that investors face in emerging markets. In many cases investors are willing to look through the headlines and understand the underlying strength and resilience of a company’s performance, but these episodes certainly present the investor with additional information to digest.

Having said all of that, I believe that the attractions of JEFIT’s investment case remain compelling. The extent to which the world economy is adapting to a pandemic-affected environment is nothing short of remarkable; the speed of the recovery in the developed economies continues to defy the naysayers and the investment opportunities which present themselves in the less travelled parts of the world into which we like to commit our shareholders’ funds remain attractive. In the twelve months ended 31 March 2021, JEFIT’s NAV per share increased by 42.2%, representing a remarkable performance in both relative and absolute terms; I am happy to report that in the subsequent three months, to the date of this report, there has been further outperformance. Your Board believes that the conditions are there for this to continue.

John Scott

Chairman

24 June 2021

Investment Adviser's Review

Market review

During the Company's interim period, from October 2020 to March 2021, there was a significant change in the market environment, catalysed by news of Pfizer's vaccine efficacy in early November. Sentiment towards some of the markets that had been more impacted by Covid, such as Mexico, Russia, Indonesia, and India, improved materially, as investors began to look through the near-term impact of Covid. In contrast, Chinese equities, having outperformed strongly during the first eight months of 2020, lagged the emerging markets benchmark.

Over the period, the Company's total NAV return of 23.9% and total price return of 26.9% outperformed its benchmark, the MSCI Emerging Markets (Total Return) Index in sterling, which rose by 7.7%.

While the news of vaccine efficacy and the markets resultant willingness to look beyond the pandemic was clearly a key driver of markets over the period, there were a number of other important developments.

The underperformance of Chinese equities may have been, in part, due to the valuations of some companies perceived to be "Covid winners" having reached a level that suggested excessive crowding by investors in these names. However, news of strengthened antitrust regulations targeting the large internet companies in the country also weighed on sentiment.

In many other markets, sentiment was bolstered by encouraging economic data points and company results announcements, which indicated that, while Covid continues to create a challenging environment, countries and companies are generally adapting to the situation better than many investors had feared.

During the first quarter of 2021, concerns over new variants of the virus and uncertainty regarding the pace of vaccine rollouts did cause some of the "reopening" enthusiasm of the fourth quarter 2020 to wane. However, corporate news remained generally positive, with many companies reporting earnings or sales data ahead of analysts' expectations.

For us, one of the most encouraging developments has been the resumption of dividend payments by some of our holdings that had been asked by regulators or had taken the decision themselves to adopt a "wait and see" approach to paying dividends. We see this return to payouts as a reflection of both balance sheet strength and an increased confidence in the outlook for these companies.

Performance

During the period, the portfolio's underweight in China and overweight in Mexico, which were detractors during the Company's last financial year, became positive drivers of absolute and relative performance. The portfolio's small cap allocation was also a positive driver of performance over the period, as smaller companies that had seen their share prices disproportionately impacted during the sell-off in the first half of 2020, continued to recover. However, frontier markets (a weighting of approximately 15% in the portfolio, compared to zero weighting for the benchmark), continued to lag the headline MSCI Emerging Markets Index.

Positive contributors to the Company's performance included Vesta in Mexico, Samsung Electronics in Korea, Jaya Real in Indonesia, and Mediatek in Taiwan.

Vesta is a leading developer of industrial parks and factories in Mexico, many of which are built to suit the specific requirements of Vesta's various multinational tenants. The business has proven to be extremely resilient to the disruption caused by Covid, with almost every tenant continuing to pay rent in full and on time. The fact that the company has maintained its dividend throughout a period when many other property companies have had to cut their payout has bolstered investor confidence in the business model and driven a rerating in the company's shares.

Samsung is the world's largest manufacturer of dynamic random-access memory (DRAM) chips. These are used in everything from iPhones to laptops, to the servers used by Amazon and Chinese internet giants, Tencent and Alibaba. Samsung falls within the group of holdings that we refer to as "technology

enablers” – companies offering products or solutions that are critical to the major technological changes taking place globally and are therefore positioned to benefit from structurally growing demand. In recent years there has been a change in the industry, with weaker players either exiting the industry or being taken over by larger players. This means the market is now fundamentally different, with greater pricing discipline and more rational behaviour, putting Samsung and Hynix in a strong position to profit from the growth we are seeing in their end markets.

Jaya Real is an Indonesian property developer establishing new mixed-use suburban developments that cater to a growing middle-class population, which are only made possible by improved transport links in the country. At the height of market concerns over the impact of Covid on the Indonesian economy, the stock derated to a level that significantly undervalued its large landbank and gave the company no credit for its prudent approach to capital management. The stock recovered strongly during the period, as the market began to refocus on the Jaya Real’s strong long-term prospects.

Mediatek, which, like Samsung Electronics, we consider to be a technology enabler, is a designer of chips for mobile phones and other consumer electronics applications. The company continued to deliver very strong operational performance, in terms of both sales and margins. Mediatek’s new 5G handset chipsets have been positively received by customers and should drive a sustained uplift in margins as 5G adoption becomes more widespread.

The portfolio’s zero weighting in Alibaba (one of the largest constituents in the benchmark) was also a positive driver of performance, as heightened antitrust scrutiny weighed on sentiment.

Detractors from relative performance over the period included the portfolio’s zero weighting in two Chinese stocks, Pinduoduo and Nio, as well as its holding in Kenya Commercial Bank (KCB).

While many Chinese stocks lagged the broader market over the period, e-commerce group buying business, Pinduoduo, and electric car maker, Nio,

both performed strongly. Neither are held in the portfolio, as we believe that for both companies, valuations are very hard to justify and ignore the competitive challenge that both businesses face from incumbents.

KCB is a Kenyan bank, which is helping to drive higher financial inclusion in the country. In common with a number of other frontier market stocks, KCB did not participate in the broader market rally, with its share price flat over the period, and its valuation remains below pre-pandemic levels. This is despite the bank remaining profitable during 2020 and continuing to make good progress on digital initiatives that help to reduce costs and open up new avenues for growth. It may be that investors require greater visibility on recovery in the tourism and real estate sectors of the economy before the stock’s valuation can return to a level that better reflects the KCB’s long-term growth potential.

Activity

During the period, significant activity included the purchase of two new positions in Egypt – Credit Agricole Egypt (CAE) and dairy products manufacturer, Obour, as well as a new holding in Taiwanese chip designer, Elan. The purchase of these positions was funded mainly by reducing holdings for which valuations had become less attractive, given strong recent share price performance. However, the portfolio did also exit its holding in Chinese telecom operator, Unicom, after US regulators added it to a list of Chinese companies considered ineligible for ongoing investment by US persons.

We believe that CAE is a good example of the type of opportunity that the Company’s investment objective enables us to capture. Being a small cap company in one of the smaller emerging markets, the stock appears to be overlooked by foreign investors and large, open-ended, funds. CAE has a strong retail franchise, a credible digital strategy and is well-positioned to benefit from rising financial inclusion in Egypt. Despite the pandemic, CAE has continued to be profitable, is growing its loan book and remains very well capitalised. In our view, this combination of

Investment Adviser's Review *(continued)*

resilience and strong long-term growth outlook does not appear to be reflected in current valuations.

Obour appears similarly overlooked by the market allowing the Company to establish a position at a relatively low valuation. Obour's core strength is in carton pack white cheese – a popular product in Egypt, where the company has a 46% market share. The market is an effective duopoly between Obour and the second player, Domty. The company has demonstrated strong pricing power and continues to see volume growth, as the market formalises.

Elan designs and sells chips that enable touch screen functionality and fingerprint recognition in notebook PCs and other devices. In the coming years, penetration of both features should increase substantially from today's level of around 30 per cent. Elan has a clear lead in this market, which we expect it to maintain, given that the company collaborates closely with major platforms, including Microsoft and Google.

Outlook

We currently see a combination of improving operational performance and valuations that are low relative to history for many of the Company's holdings. While 2020 was a challenging year for many emerging and frontier markets, particularly those outside of North Asia, we believe that this environment also created attractive long-term opportunities. Despite the recovery we saw over the period, valuations for many of the Company's holdings remain at a level that, in our view, does not fully reflect their growth potential.

While coronavirus daily case numbers do remain high in some countries, such as India and Brazil, it already appears that the worst of the Covid impact on operational performance is behind us for most companies. Similarly, macro data points in markets indicate that economic activity has already substantially recovered from the lows experienced in the second quarter of 2020.

In a world where the valuations for many asset classes look high relative to history, the opposite continues to hold true for many companies and

sectors within emerging and frontier markets, despite the potential for strong long-term growth. As investors continue to look past the impact of the pandemic, we expect that the scope for operational recovery and rerating from attractive valuations will be positive for stock performance.

The companies held in the portfolio typically have strong balance sheets (many are in a net cash position) and our holdings in the banking sector are well-capitalised – much more so than their developed market or Chinese peers. For this reason, none of our financial sector holdings raised equity in 2020 and all appear well-positioned to resume a strong growth trajectory over the coming 12 months.

Gearing in the Company (loan value as a percentage of net asset value) currently stands at 10.2%, which compares to a guided range of 0% to 20%. Given where valuations are currently, we consider it appropriate to maintain this level of gearing.

Ross Teverson

Fund Manager

Jupiter Asset Management Limited

24 June 2021

List of Investments

as at 31 March 2021

Company	Country of Listing	Market value £'000	Percentage of Portfolio
Samsung Electronics Preference	Korea	4,427	4.4
Corp. Inmobiliaria Vesta	Mexico	4,145	4.1
MediaTek	Taiwan	4,061	4.0
Taiwan Semiconductor Manufacturing, ADR	Taiwan	3,832	3.8
Hindustan Petroleum	India	3,570	3.6
Hon Hai Precision Industry	Taiwan	3,469	3.5
NWS Holdings	Hong Kong	3,365	3.3
NetEase	Hong Kong	3,267	3.3
MMC Norilsk Nickel, ADR	Russia	3,124	3.1
Wilson Sons, BDR	Brazil	2,882	2.9
Bizlink Holding	Taiwan	2,762	2.7
KCB Group	Kenya	2,754	2.7
Sberbank of Russia Preference	Russia	2,707	2.7
Guaranty Trust Bank	Nigeria	2,489	2.5
SK Hynix	Korea	2,488	2.5
Orbia Advance	Mexico	2,472	2.5
Elan Microelectronics	Taiwan	2,442	2.4
Kunlun Energy	Hong Kong	2,414	2.4
Ginko International	Taiwan	2,392	2.4
Chroma ATE	Taiwan	2,298	2.3
United Bank	Pakistan	2,149	2.1
Coca-Cola Icecek	Turkey	2,088	2.1
Grupo Financiero Banorte	Mexico	2,005	2.0
Bank of Georgia Group	United Kingdom	1,989	2.0
Greatview Aseptic Packaging	Hong Kong	1,966	2.0
Emaar Malls	United Arab Emirates	1,957	1.9
Jaya Real Property	Indonesia	1,818	1.8
Want Want China Holdings	Hong Kong	1,703	1.7
LSR Group, GDR	Russia	1,656	1.6
Salmones Camanchaca	Chile	1,652	1.6
Indus Motor	Pakistan	1,607	1.6
Integrated Diagnostics Holdings	United Kingdom	1,565	1.6
Embassy Office Parks REIT	India	1,459	1.5
SEPLAT Petroleum Development	United Kingdom	1,446	1.4
Purcari Wineries	Romania	1,442	1.4
Grit Real Estate Income Group	United Kingdom	1,425	1.4
Vietnam Dairy Products (HSBC Bank) Warrant 19/11/2021	Vietnam	1,335	1.3
AvivaSA Emeklilik ve Hayat	Turkey	1,301	1.3
Bestway Global Holding	Hong Kong	1,295	1.3
Consun Pharmaceutical Group	Hong Kong	1,271	1.3
Porto Seguro	Brazil	1,053	1.0
Credit Agricole Egypt	Egypt	982	1.0
John Keells Holdings	Sri Lanka	973	1.0
M.Video	Russia	922	0.9
Obour Land For Food Industries	Egypt	813	0.8
Sphera Franchise Group	Romania	745	0.7
Pico Far East Holdings	Hong Kong	554	0.6
Total Investments		100,531	100.0

As at 31 March 2021, none of the Company's Total Assets was invested in the securities of other listed closed-ended investment companies. It is the Company's stated policy that its exposure to other closed-ended listed investment companies should not exceed 10% of Total Assets.

Interim Management Report

Related Party Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or performance of the Company. Details of related party transactions are disclosed in Note 13 and on page 21 of this report.

Principal and Emerging Risks and Uncertainties

The Company is exposed to the effect of variations in the price of its investments. A fall in the value of its portfolio will have an adverse effect on Shareholders' funds. It is not the aim of the Board to eliminate entirely the risk of capital loss, rather it is its aim to seek capital growth. Investments in Emerging Markets and Frontier Markets may include a higher element of risk compared to more developed markets due to greater political and economic instability which could adversely affect the economies of such countries or the value of the Company's investments in those countries. The Company may have significant exposure to portfolio companies from certain sectors, or based or operating in certain geographical areas, from time to time. Greater concentration of investments in any one sector or geographical area may result in greater volatility in the value of the Company's investments and may materially and adversely affect the performance of the Company. Other key risks faced by the Company relate to foreign currency movements, interest rates, liquidity risk, gearing risk, the discount to Net Asset Value, regulatory risk, loss of key personnel, operational and financial risks.

Covid-19

The Covid pandemic poses additional risks to the Company beyond the risks described above. They include liquidity risks to markets, risks associated with the maintenance of the current dividend policy and business continuity risks for the Investment Adviser. Each of these risks continues to be assessed on a day to day basis by the Investment Adviser.

Going Concern

The Half-Yearly Financial Report has been prepared on a going concern basis. The Directors consider that this is the appropriate basis as they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In considering this, the Directors took into account the Company's investment objective (see page 2), risk management policies and capital management policies, the diversified portfolio of readily realisable securities which can be used to meet short-term funding commitments and the ability of the Company to meet all of its liabilities and ongoing expenses. The Directors remain satisfied that it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements of the Company.

Directors' Responsibility Statement

We, the Directors of Jupiter Emerging & Frontier Income Trust PLC, confirm to the best of our knowledge that:

- (a) The set of financial statements have been prepared in accordance with International Accounting Standards (IAS) in conformity with the Companies Act 2006 and give a true and fair view of the assets, liabilities, financial position and profit/(loss) of the Company for the period ended 31 March 2021;
- (b) The Chairman's Statement, the Investment Adviser's Review and the Interim Management Report include a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R; and
- (c) The Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R on related party transactions.

By Order of the Board

John Scott

24 June 2021

Statement of Comprehensive Income

For the six months to 31 March 2021 (unaudited)

	Six months to 31 March 2021			Six months to 31 March 2020		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gain/(loss) on investments held at fair value through profit or loss (Note 3)	–	16,674	16,674	–	(25,276)	(25,276)
Foreign exchange gain on loan	–	658	658	–	75	75
Other exchange loss	–	(86)	(86)	–	(54)	(54)
Income	1,626	–	1,626	2,129	–	2,129
Total income/(loss)	1,626	17,246	18,872	2,129	(25,255)	(23,126)
Investment management fee	(84)	(251)	(335)	(75)	(227)	(302)
Other expenses	(276)	(8)	(284)	(234)	(8)	(242)
Total expenses	(360)	(259)	(619)	(309)	(235)	(544)
Net return/(loss) before finance costs and taxation	1,266	16,987	18,253	1,820	(25,490)	(23,670)
Finance costs	(20)	(59)	(79)	(46)	(137)	(183)
Return/(loss) before taxation	1,246	16,928	18,174	1,774	(25,627)	(23,853)
Taxation	(160)	–	(160)	(173)	77	(96)
Net return/(loss) after taxation	1,086	16,928	18,014	1,601	(25,550)	(23,949)
Return/(loss) per Ordinary share (Note 4)	1.27p	19.81p	21.08p	1.78p	(28.37)p	(26.59)p

The total column of this statement is the income statement of the company, prepared in accordance with IFRS.

The supplementary revenue return and capital return columns are both prepared under guidance produced by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the period.

All income is attributable to the equity holders of the Company. There are no minority interests.

There is no other comprehensive income and therefore the 'Net return/(loss) after taxation' is the total comprehensive income for the period.

The Notes on pages 17 to 21 form part of these accounts.

Statement of Financial Position

As at 31 March 2021

	31 March 2021 (unaudited) £'000	30 September 2020 (audited) £'000
Non current assets		
Investments held at fair value through profit or loss	100,531	85,302
Current assets		
Other receivables	553	584
Cash and cash equivalents	405	66
	958	650
Total assets	101,489	85,952
Current liabilities		
Other payables	(10,073)	(10,821)
Total assets less current liabilities	91,416	75,131
Capital and reserves		
Called up share capital	855	855
Share premium	4,019	4,019
Special reserve	85,684	85,704
Capital redemption reserve	86	86
Retained earnings (Note 7)	772	(15,533)
Total equity shareholders' funds	91,416	75,131
Net asset value per Ordinary share (Note 8)	106.96p	87.91p

Approved by the Board of Directors and authorised for issue on 24 June 2021 and signed on its behalf by:

John Scott

Chairman

Company Registration Number 10708991

The Notes on pages 17 to 21 form part of these accounts.

Statement of Changes in Equity

For the six months to 31 March 2021

For the six months to 31 March 2021 (unaudited)	Share Capital £'000	Share Premium £'000	Special Reserve* £'000	Capital Redemption Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 30 September 2020	855	4,019	85,704	86	(15,533)	75,131
Net profit for the period	–	–	–	–	18,014	18,014
Redemption of Ordinary shares	–	–	(20)	–	–	(20)
Dividends declared and paid**	–	–	–	–	(1,709)	(1,709)
Balance at 31 March 2021	855	4,019	85,684	86	772	91,416

For the six months to 31 March 2020 (unaudited)	Share Capital £'000	Share Premium £'000	Special Reserve* £'000	Capital Redemption Reserve £'000	Retained Earnings £'000	Total £'000
Balance at 30 September 2019	901	4,019	85,704	40	3,204	93,868
Net loss for the period	–	–	–	–	(23,949)	(23,949)
Dividends declared and paid**	–	–	–	–	(2,162)	(2,162)
Balance at 31 March 2020	901	4,019	85,704	40	(22,907)	67,757

* Special Reserve was constituted following a transfer from the Share Premium reserve and can also be used to pay dividends.

** Dividends paid during the period were paid out of revenue reserves which form part of retained earnings.

The Notes on pages 17 to 21 form part of these accounts.

Statement of Cash Flows

For the six months to 31 March 2021 (unaudited)

	Six months to 31 March 2021 £'000	Six months to 31 March 2020 £'000
Cash flows from operating activities		
Dividends received (gross)	1,668	1,742
Deposit interest received	–	3
Investment management fee paid	(306)	(358)
Other cash expenses	(412)	(294)
Net cash inflow from operating activities before taxation and interest (Note 10)	950	1,093
Interest paid	(81)	(177)
Overseas tax incurred	(160)	(173)
Net cash inflow from operating activities	709	743
Cash flows from investing activities		
Purchases of investments	(11,736)	(15,680)
Sales of investments	13,182	16,868
Net cash inflow from investing activities	1,446	1,188
Cash flows from financing activities		
Ordinary shares redeemed	(20)	–
Equity dividends paid	(1,710)	(2,162)
Net cash outflow from financing activities	(1,730)	(2,162)
Increase/(decrease) in cash	425	(231)
Cash and cash equivalents at start of period	66	544
Realised loss on foreign currency	(86)	(54)
Cash and cash equivalents at end of period	405	259

The Notes on pages 17 to 21 form part of these accounts.

Notes to the Accounts

1. Accounting Policies

The accounts comprise the unaudited financial results of the Company for the period to 31 March 2021. The accounts are presented in pounds sterling, as this is the functional currency of the Company. All values are rounded to the nearest thousand pounds (£'000) except where indicated.

The accounts have been prepared in accordance with IAS in conformity with the Companies Act 2006.

Where presentational guidance set out in the Statement of Recommended Practice (SORP) for Investment Trusts issued by the Association of Investment Companies (AIC) in October 2019 is consistent with the requirements of IFRS, the directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

The company continues to adopt the going concern basis in the preparation of the financial statements.

(a) Income

Dividends from investments are recognised when the investment is quoted ex-dividend on or before the date of the Statement of Financial Position.

Dividends receivable from equity shares are taken to the revenue return column of the Statement of Comprehensive Income.

Special dividends are reviewed on a case by case basis to determine if the dividend is to be treated as revenue or capital.

(b) Presentation of Statement of Comprehensive Income

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the Association of Investment Companies (AIC), supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the statement.

An analysis of retained earnings broken down into revenue items, and capital items is given in Note 7. Investment management fees and finance costs are charged 75% to capital and 25% to revenue.

All other operational costs including administration expenses (but with the exception of any transaction handling charges which are charged to capital) are charged to revenue.

(c) Investments

Investments are recognised and derecognised on a trade date where a purchase or sale of an investment is under contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at the fair value, being the consideration given.

All investments are classified as held at fair value through profit or loss.

All investments are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income in the period in which they arise. The fair value of listed investments is based on their quoted bid price at the reporting date without any deduction for estimated future selling costs.

Foreign exchange gains and losses on fair value through profit or loss investments are included within the changes in the fair value of the investment.

For investments that are not actively traded and/or where active stock exchange quoted bid prices are not available, fair value is determined by reference to a variety of valuation techniques. These techniques may draw, without limitation, on one or more of: the latest arm's length traded prices for the instrument concerned; financial modelling based on other observable market data; independent broker research; or the published accounts relating to the issuer of the investment concerned.

Notes to the Accounts (continued)

2. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements on occasion requires management to make judgements, estimates and assumptions that affect the reported amounts in the primary financial statements and the accompanying disclosures. These assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the current and future periods, depending on circumstance.

Management do not believe that any accounting judgements, estimates or assumptions have had a significant impact on this set of financial statements.

3. Gains/(losses) on investments

	Six months to 31 March 2021 £'000	Six months to 31 March 2020 £'000
Net gains realised on sale of investments	2,320	2,475
Movement in unrealised gains/(losses)	14,354	(27,751)
Gains/(losses) on investments	16,674	(25,276)

4. Earnings/(loss) per Ordinary share

	Six months to 31 March 2021 £'000	Six months to 31 March 2020 £'000
Net revenue profit	1,086	1,601
Net capital return/(loss)	16,928	(25,550)
Net total return/(loss)	18,014	(23,949)
Weighted average number of Ordinary shares in issue during the period	85,465,171	90,072,974
Revenue return per Ordinary share	1.27p	1.78p
Capital return/(loss) per Ordinary share	19.81p	(28.37)p
Total return/(loss) per Ordinary share	21.08p	(26.59)p

5. Transaction costs

The following transaction costs were incurred during the period:

	Six months to 31 March 2021 £'000	Six months to 31 March 2020 £'000
Purchases	24	31
Sales	30	33
Total	54	64

6. Comparative information

The financial information contained in this interim report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006.

The information for the year ended 30 September 2020 has been extracted from the latest published audited financial statements. The audited financial statements for the year ended 30 September 2020 have been filed with Companies House. The report of the auditors on those accounts contained no qualification or statement under section 498(2) of the Companies Act 2006.

7. Retained earnings

The table below shows the movement in the retained earnings analysed between revenue and capital items.

	Revenue £'000	Capital £'000	Total £'000
At 30 September 2020	2,483	(18,016)	(15,533)
Net return for the period	1,086	16,928	18,014
Dividends paid	(1,709)	–	(1,709)
At 31 March 2021	1,860	(1,088)	772

The capital reserve includes £872,000 of investment holding losses. The Company does not distribute or pay dividends out of capital reserves.

8. Net asset value per Ordinary share

The net asset value per Ordinary share (excluding dividends paid) is based on the net assets attributable to the Ordinary shareholders of £91,416,000 (30 September 2020: £75,131,000) and on 85,465,171 (30 September 2020: 85,465,171) Ordinary shares, being the number of Ordinary shares in issue at the period end.

9. Fair valuation of investments

IFRS 13 'Financial Instruments: Disclosures' require an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy shall have the following levels:

Level 1 reflects financial instruments quoted in an active market.

Level 2 reflects financial instruments whose fair value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables includes only data from observable markets.

Level 3 reflects financial instruments whose fair value is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data.

Notes to the Accounts (continued)

9. Fair valuation of investments (continued)

The financial assets measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	31 March 2021				30 September 2020			
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Investments	100,531	–	–	100,531	83,731	1,571	–	85,302

10. Reconciliation of net return before finance costs and taxation to net cash inflow from operating activities

	31 March 2021 £'000	30 September 2020 £'000
Net return/(loss) before finance costs and taxation	18,253	(8,877)
(Gain)/loss on investments	(16,674)	12,550
Realised loss on foreign currency	86	189
Foreign exchange gain on loans	(658)	(527)
Decrease/(increase) in prepayments and accrued income	31	(275)
(Decrease)/increase in accruals and other creditors	(88)	44
Net cash inflow from operating activities before interest and taxation	950	3,104

11. Reconciliation of financing liabilities

	31 March 2021 £'000	30 September 2020 £'000
Financing liabilities at beginning of period	(10,442)	(12,172)
Repayment of bank loan	–	1,203
Foreign exchange movement	658	527
Financing liabilities at the end of period	(9,784)	(10,442)

12. Principal risk profile

The principal risks which the Company faces include exposure to:

- (i) market price risk, including currency risk, interest rate risk and other price risk;
- (ii) liquidity risk; and
- (iii) credit and counterparty risk.

Market price risk – is the risk that the fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – currency risk, interest rate risk and other price risk.

Liquidity risk – This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Credit and counterparty risk – This is the exposure to loss from the failure of a counterparty to deliver securities or cash for acquisitions or to repay deposits.

Further details of the Company's management of these risks can be found in Note 15 of the Company's Annual Report and Accounts for the year ended 30 September 2020.

Covid-19 – The Covid pandemic poses additional risks to the Company beyond the principal risks described above. They include liquidity risks to markets, risks associated with the maintenance of the current dividend policy and business continuity risks for the Investment Adviser.

There have been no changes to the management of or the exposure to these risks during the period under review.

13. Related parties

Jupiter Unit Trust Managers Limited ('JUTM'), the Alternative Investment Fund Manager, is a company within the same group as Jupiter Asset Management Limited, the Investment Adviser. JUTM receives an investment management fee as set out below.

JUTM is contracted to provide investment management services to the Company (subject to termination by not less than twelve months' notice by either party) for an annual fee of 0.75% of the total assets of the Company after deduction of the value of any Jupiter managed investments, payable quarterly in arrears.

The Management fee payable to JUTM for the period ended 31 March 2021 was £335,000 (30 September 2020: £596,000) with £171,000 (30 September 2020: £142,000) outstanding at period end.

No investment management fee is payable by the Company to Jupiter Asset Management Limited in respect of the Company's holdings in investment trusts, open-ended funds and investment companies in respect of which Jupiter Investment Management Group Limited, or any subsidiary undertaking of Jupiter Investment Management Group Limited, receives fees as investment manager or investment adviser.

There are no transactions with the directors other than aggregated remuneration for services as directors as disclosed in the Directors' Remuneration Report on page 44 and as set out in Note 24 to the Accounts on page 76 and the beneficial interests of the directors in the Ordinary shares of the Company as disclosed on page 45 of the 2020 Annual Report and Accounts.

As at 31 March 2021, Directors' interests in the Ordinary shares of the Company were as follows:

John Scott	91,819
Mark Dampier	96,992
Audrey McNair	59,358
Nicholas Moakes	111,434

As at 22 June 2021, being the latest practicable date prior to the publication of the Half Yearly Financial Report, the following change has been notified:

Nicholas Moakes	117,205
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14. Post balance sheet event

Annual voluntary redemption facility

On 2 June 2021, the Company received valid redemption requests totalling 25,670,791 Ordinary shares (representing 30% of the issued share capital) for the redemption point on 30 June 2021.

Company Information

Directors	John Scott, Chairman Mark Dampier Audrey McNair Nicholas Moakes
Registered Office	The Zig Zag Building 70 Victoria Street, London SW1E 6SQ
Alternative Investment Fund Manager	Jupiter Unit Trust Managers Limited The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ
Telephone	020 3817 1000
Website	www.jupiteram.com/JEFI
Email	investmentcompanies@jupiteram.com Authorised and regulated by the Financial Conduct Authority
Investment Adviser & Company Secretary	Jupiter Asset Management Limited The Zig Zag Building, 70 Victoria Street, London SW1E 6SQ
Telephone	020 3817 1000 Authorised and regulated by the Financial Conduct Authority
Custodian	J.P. Morgan Chase Bank N.A. 25 Bank Street, Canary Wharf, London E14 5JP Authorised and regulated by the Financial Conduct Authority
Depository	J.P. Morgan Europe Limited 25 Bank Street, Canary Wharf, London E14 5JP Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority
Registrars	Link Group The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU
Telephone	0371 664 0300 Lines are open from 9.00am to 5.30pm Monday to Friday. Calls are charged at the standard geographical rate and will vary by provider.
Telephone (international)	+ 44 (0)371 664 0300 Calls outside of the United Kingdom will be charged at the applicable international rate.
Website	www.linkgroup.eu
Email	shareholderenquiries@linkgroup.co.uk
Independent Auditors	Ernst & Young LLP Atria One, 144 Morrison Street Edinburgh EH3 8EX
Broker	Peel Hunt LLP 100 Liverpool Street, London EC2M 2AT Authorised and regulated by the Financial Conduct Authority
Company Registration Number	10708991 Registered in England & Wales An investment company under s.833 of the Companies Act 2006

Investor Codes	The Ordinary shares of the Company are traded on the London Stock Exchange.
Sedol Number	
Ordinary shares	BDR0575
ISIN	
Ordinary shares	GB00BDR05757
Ticker	
Ordinary shares	JEFI
LEI	213800RLXLM87N026530

The Company is a member of



Investor Information

Retail distribution of non-mainstream products

The Company currently conducts its affairs so that its shares can be recommended by Independent Financial Advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The Company's Ordinary shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are Ordinary shares in an investment trust.

Performance Updates

Your Company publishes a monthly factsheet which contains key information about its performance, investment portfolio and pricing. The factsheets together with electronic copies of the most recent full and interim reports and accounts are available for download from www.jupiteram.com/JEFI. Should you wish to be added to an email distribution list for future editions of the monthly factsheet, please send an email to investmentcompanies@jupiteram.com. For investors who do not have access to the internet, these documents are also available on request from Jupiter's Customer Services Team on 0800 561 4000.

Further information about the Company is also available from third party websites such as www.morningstar.co.uk and www.theaic.co.uk

Dividend reinvestment plan and managing your account online

Shareholders may elect for the Company's registrar, Link Group, to reinvest dividends automatically on their behalf.

Dividend Reinvestment Plan Terms and Conditions are available upon request via the Link Shareholder Helpline on 0371 664 0381* (Overseas +44 (0) 371 664 0381*), by email to shares@linkgroup.co.uk or through www.signalshares.com.

Signal shares also allows you to manage your shareholding online. If you are a direct investor you can view your shareholding, change the way the registrar communicates with you or the way you receive your dividends, and buy and sell shares. If you have not used this service before, all you need to do is enter the name of the Company and register your account. You will need your Investor code (IVC) printed on your share certificate in order to register.

Dividend Tax Allowance

With effect from 6 April 2016 the dividend tax credit was replaced by an annual tax-free dividend allowance. Dividend income in excess of this allowance will be taxed according to your personal income tax bracket. The Company's Registrar will continue to provide shareholders with confirmation of dividends paid; Shareholders should retain such confirmations to enable them to calculate and report total dividend income received. Shareholders should note that it is their sole responsibility to report any dividend income in excess of their annual tax-free allowance to HMRC.

Further information on changes to dividend tax allowance can be obtained from the HMRC website at:

<https://www.gov.uk/tax-on-dividends>

* Calls to this number are charged at the standard geographical rate and will vary by provider. Calls from outside of the United Kingdom will be charged at the applicable international rate. Lines are open from 09.00 – 17.30 Monday to Friday.

Changes to our Data Privacy Notice

We have updated our Privacy Notice to align with the new data privacy law in the European Union, known as the General Data Protection Regulation (GDPR) to which we are subject. Data protection and the security of your information always has been and remains of paramount importance to us.

Any information concerning Shareholders and other related natural persons (together the Data Subjects) provided to, or collected by or on behalf of, Jupiter Unit Trust Managers Limited (the management company) and/or Jupiter Emerging & Frontier Income Trust Plc (the Controllers) (directly from Data Subjects or from publicly available sources) may be processed by the Controllers as joint controllers, in compliance with the GDPR.

You are not required to take any action in respect of this notice, but we encourage you to read our Privacy Notice. Our Privacy Notice can be found on our website, www.jupiteram.com/Shared-Content/Legal-content-pages/Privacy/Investment-trusts. In the event that you hold your shares as a nominee, we request that you promptly pass on the details of where to find our Privacy Notice to the underlying investors and/or the beneficial owners.

Important Risk Warnings

Advice to shareholders

In recent years investment related scams have become increasingly sophisticated and difficult to spot. We are therefore warning all our shareholders to be cautious so that they can protect themselves and spot the warning signs.

Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they are only making the offer available to you
- ask you to not tell anyone else about it

You can avoid investment scams by:

- **Rejecting unexpected offers** – Scammers usually cold call but contact can also come by email, post, word of mouth or at a seminar. If you have been offered an investment out of the blue, chances are it's a high risk investment or a scam.
- **Checking the FCA Warning List** – Use the FCA Warning List to check the risks of a potential investment. You can also search to see if the firm is known to be operating without proper FCA authorisation.
- **Getting impartial advice** – Before investing get impartial advice and don't use an adviser from the firm that contacted you.

If you are suspicious, report it

- You can report the firm or scam to the FCA by contacting their Consumer Helpline on **0800 111 6768** or using their online reporting form.
- If you have lost money in a scam, contact **Action Fraud** on **0300 123 2040** or **www.actionfraud.police.uk**

For further helpful information about investment scams and how to avoid them please visit **www.fca.org.uk/scamsmart**

Glossary of Terms including Alternative Performance Measures

Alternative Performance Measures

The European Securities and Markets Authority ('ESMA') published its guidelines on Alternative Performance Measures ('APMs'). APMs are defined as being a 'financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable accounting framework.' The guidelines are aimed at promoting the usefulness and transparency of APMs included in regulated information and aim to improve comparability, reliability and/or comprehensibility of APMs. The following APMs are used throughout the annual report, financial statements and notes to the financial statements.

Benchmark total return index

A total return index is a type of equity performance index that tracks both the capital gains of a group of stocks over time, and assumes that any cash distributions, such as dividends, are reinvested back into the index.

Discount*

The amount, expressed as a percentage, by which the share price is less than the net asset value ('NAV') per share.

As at 31 March 2021 the middle market share price was 99.50p (30 September 2020: 80.00p) and the NAV per share (cum income) was 106.96p (30 September 2020: 87.91p), the discount therefore being 7.0% (30 September 2020: 9.0%).

Discount management

Discount management is the process of the buy-back and issue of Company shares by the Company, to and from its own holding or 'treasury' with the intention of managing any imbalance between supply and demand for the Company's shares and thereby the market price. The aim is to ensure that, in normal market conditions, the market price of the Company's shares will not materially vary from its NAV per share. The authority to repurchase the Company's shares is voted upon by the shareholders at each annual general meeting.

Gearing*

Gearing is the borrowing of cash to buy more assets for the portfolio with the aim of making a gain on those assets larger than the cost of the loan. However, if the portfolio doesn't perform well the gain might not cover the costs. The more an investment company gears, the higher the risk.

Gearing is the ratio of the Company's net borrowing (being gross borrowings) to its net assets expressed as a percentage.

As at 31 March 2021, the ratio of the Company's net borrowings (£10,189,360) (30 September 2020: £10,376,270) being gross borrowings (£9,784,736) (30 September 2020: £10,442,451) less cash (£404,624) (30 September 2020: £66,181) to its net assets (£91,416,043) (30 September 2020: £75,131,190) expressed as a percentage (11.1%) (30 September 2020: 13.8%)

Middle market share price

The middle market share price is the mid-point between the buy and the sell prices.

As at 31 March 2021, middle market share price was 99.50p (30 September 2020: 80.00p).

Middle market share price (with dividends added back)*

The middle market share price with dividends added back is the middle market share price including dividends paid per share during the financial year.

Total dividends paid for the six months ended 31 March 2021 amounted to 2.00p per share.

As at 31 March 2021, the middle market share price (with dividends added back) per share was 101.50p (30 September 2020: 85.80p).

NAV per share

The NAV is the value of the Company's assets less its liabilities. The NAV per share is the NAV divided by the number of shares in issue. The difference between the NAV per share and the middle market share price is known as the Discount or Premium.

Glossary of Terms including Alternative Performance Measures *(continued)*

As at 31 March 2021, the NAV per share was 106.96p (30 September 2020: 87.91p).

NAV (with dividends added back) per share*

The NAV with dividends added back is the NAV including dividends paid per share during the financial year divided by the number of shares in issue.

Total dividends paid for the six months ended 31 March 2021 amounted to 2.00p per share.

As at 31 March 2021, the NAV (with dividends added back) per share was 108.96p (30 September 2020: 93.71p).

Ongoing charges*

Ongoing charges are the total expenses including both the investment management fee and other costs, but excluding finance costs and performance fees, as a percentage of NAV.

Premium*

The amount, expressed as a percentage, by which the share price is more than the NAV per share.

* *Alternative Performance Measure.*

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