JPMorgan Emerging Europe, Middle East & Africa Securities plc

Annual Report & Financial Statements
for the year ended 31st October 2024

J.P.Morgan
ASSET MANAGEMENT

Key Features

Investment Objective

The objective of JPMorgan Emerging Europe, Middle East & Africa Securities plc (the 'Company') is to maximise total return to shareholders from a diversified portfolio of investments in Emerging Europe (including Russia), Middle East and Africa.

Your Company at a Glance

Due to Russia's invasion of Ukraine on 24th February 2022 and subsequent closure of the Russian market to Western investors, the Board proposed a resolution to widen the Company's investment objective and policies, which was approved by shareholders on 23rd November 2022 as detailed below. The Company's name was changed to JPMorgan Emerging Europe, Middle East & Africa Securities plc on the same date.

Investment Policies

The Company seeks to achieve its investment objective by investing in a diversified portfolio of securities of companies having their head office or exercising a predominant part of their activities in Central, Eastern and Southern Europe (including Russia), the Middle East and Africa including those markets that are considered as emerging markets according to the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP.

The Company has not set any maximum or minimum exposures for any geographical regions or sectors and will achieve an appropriate spread of risk by investing in a diversified portfolio of primarily quoted equity and equity related securities including, for example (but without limitation) ordinary, preference, non-voting and convertible securities and warrants.

Investment Limits and Restrictions

The Board seeks to manage some of the Company's risks by imposing various investment limits and restrictions.

- The Company will not normally invest in unlisted securities.
- At the time of purchase, the maximum permitted exposure to each individual company is 15% of the Company's gross assets.
- The Company will not normally invest in derivatives and, in any event, derivatives may only be used for the purpose of efficient portfolio management.
- The Company will utilise liquidity and borrowings in a range of 10% net cash to 15% geared, (calculated at the time of drawdown), in typical market conditions.
- No more than 15% of gross assets are to be invested in other UK listed investment companies (including investment trusts).

Further details on investment policies and risk management are given on pages 27 and 28.

Reference Index

Following shareholder approval of the change to the Company's Investment Objective and Investment Policies, the Company adopted the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP as a reference index. Previously, the Company's benchmark was the RTS index in sterling terms. See the glossary of terms and APMs' on page 92.

Capital Structure

UK domiciled. Full listing on the London Stock Exchange.

At 31st October 2024, the Company's share capital comprised 40,436,176 ordinary shares of 1p each.

Continuation Vote

A resolution that the Company continue as an investment trust will be put to Shareholders at the Annual General Meeting in 2027 and every five years thereafter.

Discount Control

Due to the current market turbulence since Russia's invasion of Ukraine on 24th February 2022, the Company has not bought back shares in the Company.

Management Company and Company Secretary

The Company engages JPMorgan Funds Limited ('JPMF' or the 'Manager') as its Alternative Investment Fund Manager and the Company Secretary. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM' or the 'Investment Manager'). Oleg I. Biryulyov is the Company's designated portfolio manager on behalf of the Investment Manager.

Association of Investment Companies (AIC)

The Company is a member of the AIC. www.theaic.co.uk

Website

The Company's website, which can be found at www.jpmeemeasecurities.com includes useful information on the Company, such as daily prices, factsheets, current and historic half year and annual reports and how to buy shares in this Company.

Contact the Company/Keeping in Touch

General enquiries about the Company should be directed to the Company Secretary at invtrusts.cosec@jpmorgan.com.

The Board and the Portfolio Manager are keen to increase dialogue with shareholders and other interested parties. If you wish to sign up to receive email updates from the Company, including news and views and latest performance statistics, please scan the QR Code to the right or visit https://tinyurl.com/JEMA-Sign-Up

FINANCIAL CALENDAR

Final results announced	January
Annual General Meeting	March
Half year end	30th April
Half year results announced	June
Financial year end	31st October

> The Company's investment objective is to maximise the total return from investments in EMEA markets. We aim to meet this objective by identifying high quality businesses with high expected returns and the capacity to compound earnings and generate sustainable dividends, over the long term."
>
> **Oleg I. Biryulyov, Portfolio Manager**
> JPMorgan Emerging Europe, Middle East & Africa Securities plc

Why invest in the JPMorgan Emerging Europe, Middle East & Africa Securities plc?

Our heritage and our team

The predecessor of the Company was launched in 1994 as one of the first funds investing in the Russian market. The investment team, has been led by Oleg Biryulyov since launch, and he has first-hand knowledge of these complex markets. Oleg is supported by J.P. Morgan Asset Management's extensive network of emerging market specialists.

Our investment approach

The Company is focused on maximising total return from a diversified portfolio of investments in Emerging Europe (including Russia), Middle East and Africa.

The Investment Manager invests in high quality businesses that compound earnings sustainably over the long term. This includes companies with the potential to grow due to their positions as national or global market leaders. The Investment Manager's in-depth fundamental analysis focuses on the economic, longevity and governance of a business.

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Years' experience in Emerging Europe (including Russia), Middle East and Africa

£1bn+

Invested in Emerging Europe (including Russia), Middle East and Africa equities

100

Emerging markets specialists based globally

Contents

Aldar Properties - Abu Dhabi

Financial Highlights

Total returns (including dividends reinvested)

	2024	2023	1st March 2023 to 31st October 2024 Cumulative	3 years Cumulative	5 years Cumulative	10 years Cumulative
Return on share price[1,A]	+0.9%	+51.8%	+11.0%	–85.5%	–80.0%	–53.5%
Return on net asset value per share[2,A]	+13.6%	0.0%	+15.8%	–94.2%	–92.3%	–83.3%
Reference index return[3,A]	+11.9%	n/a	+12.2%	n/a	n/a	n/a
Return on net asset value per share compared to reference index return	+1.7%	n/a	+3.6%	n/a	n/a	n/a
Dividend per share	0.5p	0.5p				

[1] Source: Morningstar. Change in share price with dividends reinvested.

[2] Source: Morningstar/J.P. Morgan, using net asset value per share.

[3] Source: Morningstar. Following shareholder approval of the change to the Company's Investment Objective and Investment Policies, the Company adopted the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP as a reference index with effect from 1st March 2023. Previously, the Company's benchmark was the RTS index in sterling terms which has been suspended to western news services since 30th June 2022. Consequently, no benchmark or reference index performance is shown for periods starting prior to 1st March 2023.

[A] Alternative Performance Measure ('APM').

A glossary of terms and APMs' is provided on pages 92 to 94.

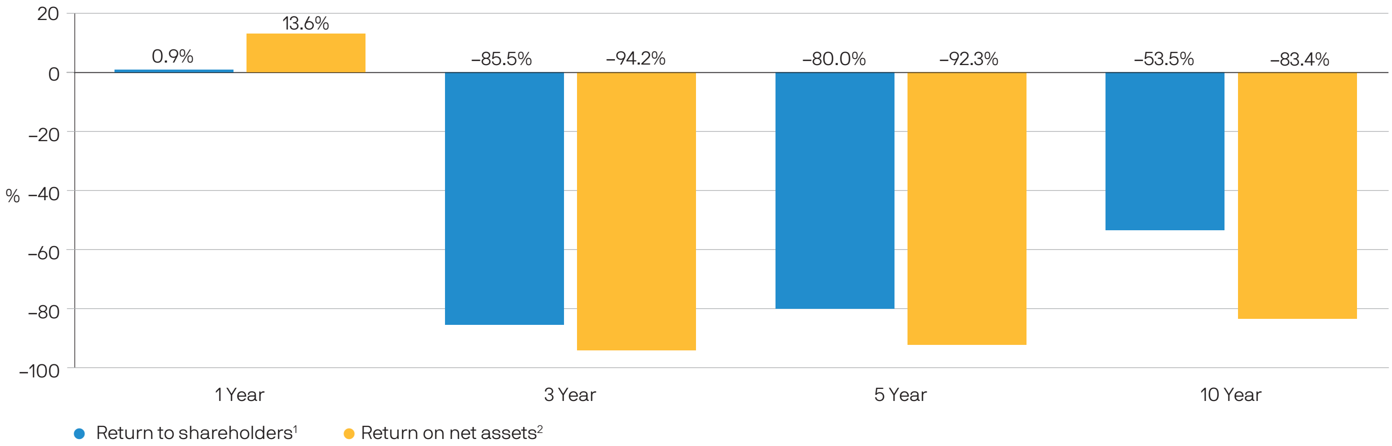
Financial Highlights

Summary of results

	2024	2023	% change
Net asset value, share price and discount at 31st October			
Shareholders' funds (£'000)	21,209	18,880	+12.3
Net asset value per share[A]	52.5p	46.7p	+12.4[1]
Gross return (£'000)	3,413	628	
Net return/(loss) after taxation (£'000)	2,531	(8)	
Return/(loss) per share	6.26p	(0.02)p	
Share price	120.5p	119.9p	+0.5[2]
Exchange rate (US$: £1)	1.29	1.21	–6.2[3]
Exchange rate (Rouble : £1)	125.03	113.55	–9.2[3]
Share price premium to net asset value per share[A]	129.5%	156.7%	
Shares in issue	40,436,176	40,436,176	
Revenue for the year ended 31st October			
Gross revenue return (£'000)	1,009	850	+18.7
Net revenue return after taxation (£'000)	225	306	–26.5
Revenue return per share	0.56p	0.76p	–26.3
Dividend per share	0.5p	0.5p	—
Gearing/(net cash) at 31st October[4,A]	**0.2%**	**(8.0)%**	
Ongoing charges[A]	4.17%	3.19%	

[1] % change, excluding dividends re-invested. Including dividends re-invested, the total return would be +13.6%.
[2] % change, excluding dividends re-invested. Including dividends re-invested, the total return would be +0.9%.
[3] The % change in exchange rate is based on the weakening of US$ and Rouble against Sterling during the year.
[4] As at 2024, the Company has no borrowings, however is showing a geared position due net current liabilities as shown in the Statement of Financial Position at the year end (2023: net current assets).
[A] Alternative Performance Measure ('APM').

Long Term Performance (total returns) at 31st October 2024



[1] Source: Morningstar.
[2] Source: Morningstar/J.P. Morgan, using net asset value per share.

A glossary of terms and APMs' is provided on pages 92 to 94.

Chairman's Statement

Eric Sanderson
Chairman

Overview and Performance

I am pleased to report that in the year ended 31st October 2024, the Company's net asset value on a total return basis increased by 13.6%, an out-performance of 1.7% against the Company's reference index, the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP (the 'Reference Index'), which increased 11.9% on a total return basis over the same period. The reason for the outperformance was stock selection. The Investment Manager's Report on pages 12 to 17 of this report provides further details.

On a share price total return basis, the Company returned +0.9% in the 12 month reporting period. As at 31st October 2024, the Company's share price was 120.5 pence, an increase of 0.5% in the reporting period. As at 31st January 2025 the share price was 209.5 pence. Throughout the period, from 31st October 2024 to 31st January 2025 the shares have traded in a wide range of between 120.5p and 244.0p which the Board believes is due to the uncertainty about the values attaching to our Russian shareholdings.

The Company's Portfolio

The Company continues to invest in higher quality companies, with a tilt towards value and income and a focus on maximising total return for shareholders. The portfolio's geographical focus is on Saudi Arabia, South Africa and the United Arab Emirates, which at the year end represented 21.6%, 17.0% and 14.4% of the portfolio respectively – see page 24.

The tragic events in Ukraine since Russia's military invasion on 24th February 2022 sadly continue to cast a shadow over the global economy. The strict economic sanctions that followed the invasion have continued to reduce the valuation of the Company's Russian assets. Additionally, the rouble has continued to reduce in value against sterling and other currencies further reducing the already heavily written down value of Russian assets in the Company's balance sheet. Despite the expiry of certain Office of Foreign Assets Control (OFAC) licences during the reporting period which added to the existing uncertainty about the realisation of the Company's Russian securities, the Company retained the 99% provision for valuation of the Russian assets, as set out in the Company's announcement made on 29th October 2024.

Extensive details on the negative impact that the events in Ukraine have had on the Company are provided in my Chairman's Statement within the Company's 2022 and 2023 annual reports, which are available on the Company's website www.jpmeemeasecurities.com.

With one exception, the Company has not engaged in any disposals of its Russian assets during this period. On 10th October 2024, the Company announced the sale of its stake in Nebius (formerly Yandex), a security that had been previously sanctioned. As detailed in the announcement, the sale should not be taken as an indication that similar sales can be made for the other Russian securities held by the Company. The sale arose because Nebius decoupled from Yandex's business in Russia, ceased to be sanctioned under US sanctions as a result, and became solely listed on western exchanges giving rise to its relocation outside the Emerging Europe, Middle East and Africa markets in which the Company invests.

As detailed in the numerous RNS announcements that the Company has released in this reporting period and up until the date of this report, in the first half of 2024 VTB made a claim in the Russian courts against a number of J.P.Morgan legal entities, including JPMorgan Bank International (the Russian sub-custodian for the Company's Russian assets) and the Company. As detailed in the Company's RNS announcement of 18th October 2024, the Russian courts granted VTB's claim in full against the Company and seven other named defendants. The Russian court has announced an appeal hearing date of 26th February 2025. The announcements included reference to the possibility that, if VTB's claim was to be successful, it may result in the insolvency of the Company's sub-custodian in Russia and may constitute a Force Majeure and or Country Risk event (as defined in the contracts that clients have with J.P. Morgan). If the Russian sub-custodian were to be declared insolvent, the Manager has advised us that the Company's Russian assets could not be serviced by them and due to the current sanction regime it would not be possible to transfer the Company's Russian assets to another custodian. The Board will provide a further update once more information becomes available. The Russian Court continues to allow VTB to include the Company in the list of defendants despite being a separate client entity, rather than a proprietary entity of the J.P. Morgan Asset Management group.

In addition, as detailed in a prior RNS announcement, on 8th October 2024 VTB made two further claims in the Russian courts against the same J.P.Morgan legal entities and the Company, but no final determination has yet been made in either claim.

The RNS announcements released in the reporting period have referred to the protection that the Company may derive from Russian Decree 8 which offers protection to client securities and RUB cash in S type accounts from the enforcement of court decisions issued after 3rd January 2024. The Russian courts have so far respected this. However, the situation remains dynamic. In addition, Presidential Decree 442 published on 23rd May 2024 established a framework for compensating the Russian Federation and/or the Central Bank of Russia for damage caused by 'unfriendly' actions of the United States of America. Decree 442 indicated that a detailed procedure would be published within four months, however, details of that further procedure remain yet to be published and analysed by market participants.

In view of the unknown outcome of the VTB case at the appeal hearing date of 26th February 2025, there has been no impact on the financial statements as at 31st October 2024. As at 31st October 2024 the Company's Russian investments amounted to 6.7% of the portfolio, although that figure should be considered in the context of the Company's share price premium to net asset value per share of 129.5% as detailed in the Discount Control section below and in the context of the considerable uncertainty attaching to the value of its Russian assets. All these developments reinforce that there is much uncertainty of these values ever being realisable by the Company.

The Board has sought to keep shareholders informed of material developments arising in relation to the Company's holdings in its Russian stocks during this continuing difficult period.

Revenue, Earnings, and Dividend

The Company's net revenue for the 12 month period to 31st October 2024 after taxation was £225,000 (31st October 2023: £306,000) and the return per share, calculated on the basis of the average number of shares in issue, was 0.56 pence (31st October 2023: 0.76 pence) per share.

One of the main drivers of the reduction in the Company's revenue after taxation compared to the previous annual reporting period is the increase in the Company's custody fees, charged by JPMorgan Chase Bank, N.A. (the Company's Custodian) for the Company's Russian assets, which with effect from 1st January 2023 reverted to being calculated on their local market value, which are significantly higher than the written down valuation included in the Company's accounts. The increased custody fees are also a major factor in the increase in the Company's ongoing charge, which was 4.2% (on an annualised basis) as at 31st October 2024 (31st October 2023: 3.2%). During the reporting period, the Board requested that the Custodian consider reducing its custody fee on the Company's Russian assets. After careful consideration, the Custodian agreed to implement a reduction, effective from 1st August 2024, which the Board deemed more satisfactory given the prevailing circumstances.

The management fee charged by the Manager continues to be based on the Company's assets, excluding the value of the Russian holdings.

At present, the dividends paid from the Russian securities in the Company's portfolio are held in a custody 'S' account in Moscow. The balance on the 'S' account as at 31st October 2024 was equivalent to approximately £31.7 million at the exchange rate applicable on that date. The Company's Manager is monitoring the receipts into the 'S' account against dividends announced by the portfolio companies, although there is no certainty that the sums in the 'S' account will ever be received by the Company. The Board also monitors the underlying local value of the Russian assets, although there remains increasing uncertainty of these values ever being realisable by the Company.

As at 31st October 2024, an additional £3.6 million of dividend income from Russian portfolio companies has been announced but is yet to be credited to the S account. Your Board also monitors this in order to assess whether all dividends due are in fact accurately recorded in the 'S' account. The addition of this sum to dividends already in an 'S' account brings the total dividends received or announced in relation to our Russian holdings to £35.3 million. As previously detailed, these dividends cannot be remitted to the Company and may never be received. They are not recognised in the Company's net asset value or in its income statement. See above for reference to the protection afforded to 'S' Accounts by Decree 8.

Chairman's Statement

Nonetheless, I am pleased to announce that the Company will recommend the payment of a dividend of 0.5p per share (2023: 0.5p per share). This will be funded from net revenue received during the year. Subject to shareholder approval, the dividend will be paid on 14th March 2025 to shareholders on the Company's register on 14th February 2025, with the ex-dividend date set for 13th February 2025. Going forward, the Board's expectation is that an annual dividend will be paid if net revenue allows.

Discount Control

Due to the continuing extreme market conditions that have created the unusual situation whereby the Company's shares are currently trading at a very elevated premium to its net asset value, the Board has no current plans to reinstate the Company's share discount control programme. As at 31st October 2024, the premium was 129.5%. The premium as at 31st January 2025 is 264.6%. The Board believes that this premium arises due to a difference in the view of the valuation of the Company's net assets and should not be interpreted as an indication that investors are more likely to derive any value from the Company's Russian shareholdings.

Environmental, Social and Governance

Environmental, Social and Governance (ESG) considerations remain integral to our investment process. We continue to engage with our investee companies to promote ESG processes and practices and are committed to integrating financially material ESG factors into our investment decisions. The Company's ESG processes in respect of its Russian held securities will recommence as soon as permissible. Further details are provided in the ESG Report on page 18.

Investment Management

Oleg Biryulyov continues to be the Company's Portfolio Manager supported by JPMorgan Asset Management's Emerging Markets and Asia Pacific equities team (EMAP). As detailed in the RNS announcement of 26th March 2024, Pandora Omaset left JPMorgan and we are pleased to announce that Luis Carrillo will be a named Portfolio Manager and support Oleg Biryulyov. JPMAM's EMAP team consists of 100+ investment professionals based in both the UK and overseas.

The Board receives regular reports on the service levels of the Manager, Investment Manager and the Company's key service providers. Through the Management Engagement Committee, the Board formally evaluated their performance in September 2024. Following that review, the Board concluded that it was satisfied with the current levels of service.

Board Composition

Following a thorough selection process undertaken with the assistance of a third party independent search consultancy, the Board are delighted that as previously announced, Ms Yulia Chekunaeva was appointed as a Non-executive Director of the Company on 1st July 2024. See Board Diversity and Inclusion on page 29 for further details of the Board's approach to this requirement.

During the year, the Board evaluation process reviewed Directors, the Chair, the Committees and the working of the Board as a whole. It was concluded that all aspects of the Board and its procedures were operating effectively.

Following the year end, Nicholas Pink informed the Board that he would be retiring as a Non-executive Director of the Company, effective 4th February 2025, due to personal reasons. The Board has engaged a third party independent search consultancy to identify appropriate candidates for this vacancy and will provide a further update in due course. I would like to thank Nicholas for his five years of service on the Board, through what has been a very challenging period.

In accordance with corporate governance best practice, the continuing Directors retire by rotation at this year's AGM and will offer themselves for re-election/election.

Change of Company Registrar

With effect from 3rd June 2024, the Company transferred the management of its share register from Equiniti Financial Services Limited to Computershare Investor Services PLC. Further details are available on the Company's website.

Annual General Meeting

The Company's Annual General Meeting (AGM) will be held on Friday 7th March 2025 at 2.00 p.m. at 60 Victoria Embankment, London EC4Y 0JP. We are pleased to invite shareholders to join us in person for the Company's AGM, hear from the Portfolio Manager and ask questions. Shareholders wishing to follow the AGM proceedings but choosing not to attend in person will be able to view proceedings live and ask questions (but not vote) through conferencing software. Details on how to register, together with access details, will be available shortly on the Company's website at www.jpmeemeasecurities.com or by contacting the Company Secretary at invtrusts.cosec@jpmorgan.com

My fellow Board members, representatives of JPMorgan and I look forward to the opportunity to meet and speak with shareholders after the formalities of the meeting have been concluded. Shareholders who are unable to attend the AGM are strongly encouraged to submit their proxy votes in advance of the meeting, so that they are registered and recorded at the AGM. Proxy votes can be lodged in advance of the AGM either by post or electronically: detailed instructions are included in the Notes to the Notice of Annual General Meeting on pages 89 to 91.

If there are any changes to these arrangements for the AGM, the Company will update shareholders via the Company's website.

Outlook

The arrival of Donald Trump as President of the USA in early 2025 following his victory in the November 2024 US elections could bring significant change both to the world stage and to US economic policy. However, the path to a resolution to the conflict in Ukraine is unclear and may remain so in the coming months and years. The appeal hearing date of 26th February 2025 for the Russian litigation means that the decision in the VTB case will not be known until after the date of this report. We will keep shareholders informed of the decision by RNS announcement.

Despite these unprecedented and complex events, the Company's investment objective at least helps the Company steer through this very difficult period. Although cognisant of the impact of the Russian holdings on the Company, the challenge for the Board is to use the investment objective to grow the Company's assets in a way that promotes the success of the Company for the benefit of the shareholders as a whole.

The Board is confident that, with the assistance of the JPMorgan EMAP team over the long term and a supportive political and regulatory environment, the Company's investment objective is achievable.

Eric Sanderson
Chairman

3rd February 2025

Investment Manager's Report

Oleg I. Biryulyov
Portfolio Manager

Introduction

As mentioned by the Chairman in his latest report, and in previous reporting, the Company's Russian holdings continue to be subject to strict sanctions, and their valuations have been discounted accordingly. This Investment Manager's Report therefore relates to the Company's strategy and portfolio activity under its revised investment objective, which is to maximise total return to shareholders from a diversified portfolio of investments in Emerging Europe (including Russia) Middle East and Africa (EMEA). It covers the 12-month period ended 31st October 2024.

Performance

Over this period, the Company returned +13.6% on an NAV total return basis, outperforming the Company's Reference Index, which returned +11.9% on a total return basis over the same period.

Portfolio

At the end of the financial year, the Company's portfolio comprised 106 stocks, compared to 89 holdings at the end of the previous year. Of these, 25 were Russian securities, one less than at the end of the previous financial year following the sale of Nebius (formerly Yandex) in 2024 when the sanctions on this security were lifted (see the Chairman's Statement for further details). The Company's Russian securities now comprise approximately 7% of the written down value of the portfolio, versus 9% at end FY23. The Company's holding in the JPM Liquidity Fund is not included in the above numbers.

Market backdrop

The year ended 31st October 2024 was a positive one for EMEA markets. The index rose steadily over the course of the year, despite the deterioration in oil prices in the second half of 2024, from around $90pbbl at the end of April 2024, to approximately $75pbbl at the end of 2024, below their level at the end of 2023. This decline was the result of uncertainty around the global economic growth and the potential growth in demand for oil products. We do not share these concerns and see supply as a bigger issue for the long term oil price trajectory. The main factor supporting regional markets over the period was the demand from local investors.

The performance of EMEA markets lagged that of the Emerging Markets Index, which increased 18.3% over the period. It also failed to match the 25.3% rise in the All Country World Index, which was underpinned by ongoing strength in US technology and related stocks with exposure to the rapid spread of artificial intelligence (AI).

Most countries in the EMEA index made gains over the period. The notable outperformers included South Africa, which benefitted from a relief rally following May's general election, as the incumbent ANC party was returned to power, albeit without a ruling majority. The improved political stability reduced the costs of capital for the market, leading to price appreciation. Hungary also outperformed, supported by the strong performance of Magyar Telecom and OTP Bank. In both cases positive earnings surprises led to higher prices. The Egyptian market was the most significant underperformer, due to capital control and currency devaluation. The Turkish market saw a rally in first quarter of 2024, but was subsequently hurt by valuation fatigue and the realisation that the disinflationary path would be harder than earlier anticipated.

Investment strategy

The Company's investment objective is to maximise the total return from investments in EMEA markets. We aim to meet this objective by identifying high quality businesses with high expected returns and the capacity to compound earnings and generate sustainable dividends, over the long term. This includes companies with the potential to grow due to their positions as national or global market leaders. However, we aim to buy stocks at reasonable prices, so recent acquisitions have a value tilt. We adopt a bottom-up stock selection process, drawing on the in-depth fundamental analysis of JPMorgan's EMAP equity research team, which includes assessments of the longevity of a business's investment case, and the quality of its management and governance practices.

Our investment approach is permeated by three broad themes:

Commodity sensitivities: EMEA countries are rich in a variety of commodities – not only oil and gas, but also platinum, gold and copper. We are especially interested in companies with exposure to the global transition to renewable energy. For example, the Company is invested in Gold Fields, a South African gold miner. Other portfolio holdings driven by the commodities theme include Motor Oil Hellas, a Greek energy company, MOL (a Hungarian refinery) and ARAMCO (the world's largest oil company).

Mass market consumption: 60% of the population of EMEA countries is less than 25 years old, and this percentage is forecast to continue rising. The youthfulness of the population is a major boon for consumption, as this demographic is tech savvy and thus easy for digital marketers to access, and younger people have a higher propensity to spend than older generations.

As incomes across EMEA regions are relatively low by global standards, we look for companies selling affordable products which are differentiated from their competitors by their strong branding and customer service. Many day-to-day household spending decisions are made by women, so companies focused on products of potential interest to them are another focus. Portfolio holdings underpinned by this theme include the pharmaceutical company in Hungary, Richter. We also opened a position in the Greek Company, Sarantis, a national and potentially regional leader in the production of cosmetics and household products.

Technology adopters: Many EMEA countries, especially in Africa, are dogged by structural challenges which can often seem intractable, given the economic and fiscal constraints and political uncertainties endemic in the region, so we seek out companies that are able to 'leapfrog' these challenges or provide much-needed consumer services which the market, or governments, have otherwise failed to supply. For example, Benefit Systems is empowering consumers in many Central and Eastern European countries with electronic access to sports facilities, enabling employers to promote healthy lifestyles and improving the work life balance for the general public.

How have specific sectors and stocks fared over the review period?

Stock selection decisions contributed to relative performance over the year. Portfolio holdings benefited from a series of earnings surprises and upward revisions to earnings forecasts, thanks to companies' efforts to strengthen their balance sheets and improve performance. The Company's out-of-index holding in Halyk Savings Bank, a major Kazakh bank, was the most significant contributor to performance over the year. It boasts an impressive return on equity (RoE) of above 25% and a dividend yield of more than 7%. Parking, Dubai's largest supplier of parking services, was another key contributor to returns following its successful initial public offering (IPO).

Other positive influences on performance included our decision to avoid Sasol, a South African chemical and energy company which we dislike due to the structural challenges it faces and the poor quality of its management. Our out-of-index position in Banca Transilvania – a niche player and national champion – also paid off, as did our holdings in telecoms providers Emirates Telecom and Hungary's Magyar Telekom, and in Adnoc Logistics, a United Arab Emirates (UAE) oil services company with a dividend yield of over 4%.

Key detractors from returns included an underweight to Naspers, a South African internet content company with an interest in its Chinese counterpart, Tencent. This company does not pay an attractive dividend and following a rally which we viewed as unsustainable, we closed the position in H124. Our decision not to hold ACWA Power, a Saudi Arabian engineering and utilities firm, also detracted, but we are very wary of this name due to its massive leverage and very expensive valuation. We also avoided Capitec Bank, a South African bank, due to its high valuation. Our positions in several other banks, including Turkey's Akbank, Poland's PKO Bank Polski and Bank Pekao also detracted from returns due to changes in leadership and potential changes in their strategies. We reduced our position in Bank Pekao after the financial year end following a meeting with the new senior management due to concerns about the company's new, highly politicised chief executive officer.

Investment Manager's Report

At the sector level, the portfolio's underweights to materials (notably petrochemical companies), industrials and consumer staples were the most significant contributors, as these sectors underperformed the index over the year. Smaller underweights to healthcare and IT also enhanced returns. Our significant overweight to financials supported returns, as most of the portfolio's bank names continued to benefit from high interest rates. A lesser overweight to energy was another positive contributor, thanks to stock selection and our preference for high income names over high capital intensity ones. A small underweight to consumer discretionary and a larger underweight to utilities (due in part to our decision to avoid ACWA Power, as mentioned above) were the main detractors.

At the country level, our overweight to UAE was by far the greatest contributor to performance, thanks to our participation in two successful IPOs (see further discussion below), and strong income from our holdings of real estate and bank stocks. Out-of-index positions in Kazakhstan and Slovenia also added, as high-income stocks re-rated, with many raising dividend payments. Returns benefited from our overweight to top performing market, Hungary, and from our underweight to the lagging Turkish market. Our decision to avoid Egypt, another underperforming market, helped, as did our underweight to Qatar, which declined due to lack of domestic growth.

The main detractors at the country level included an underweight to Saudi Arabia. Small cap stocks outperformed the larger cap stocks we favour in this market, and market volatility was unusually high over the year. An underweight to South Africa also hurt returns at the country level, as we missed the post-election rally in this market. Likewise, an underweight to Poland meant we missed the benefit of this market's politically driven rally in Q423. An overweight to Greece detracted, as this market came under pressure from general concerns about EU growth.

Our legacy holdings of several Russian securities also detracted slightly from performance, as their value, which has already been written down, was impacted by the decline in the rouble versus sterling and other currencies.

Performance attribution

Year ended 31st October 2024

	%	%
Contributions to total returns		
Reference Index		**11.9**
Asset allocation	(1.8)	
Stock selection	8.0	
Gearing/(net cash)	(0.3)	
Investment Manager contribution		**5.9**
Portfolio return		**17.8**
Management fee and other expenses[1]	(4.2)	
Return on net asset value per share[APM]		**13.6**
Effect of movement in discount over the year		**(12.7)**
Return on share price[APM]		**0.9**

Source: FactSet, JPMAM and Morningstar. All figures are on a Cum Income total return basis.

Performance attribution analyses how the Company achieved its recorded performance relative to its Reference Index.

[1] The Ongoing Charge of 4.17% that will be published in Annual Accounts as at 31st October has been used in these calculations.

[APM] Alternative Performance Measure ('APM').

Portfolio positioning

Although our investment strategy has a quality bias, it is important to note that the investment universe defined by our reference index is presently dominated by companies rated by JPMorgan analysts as 'standard' stocks, the lowest of their three designations of 'premium', 'quality' and 'standard'. This is in part because regional equity markets are still young, and in the early stages of development, and also because JPMorgan's analytical framework requires companies to possess a track record of at least five years before they can be rated more highly. Another notable feature of the EMEA investment universe is that financials and commodity names feature heavily, although the index will broaden out over time as economies and financial markets develop, and we are excited about the prospect of exploring these markets more deeply as they evolve. However, despite the current market concentration around these sectors, the Company's reference index already contains more than 680 names – a much larger and more diverse investment universe than the very limited number of stocks previously available to us in Russia, and we see many compelling opportunities across the EMEA regions.

Three themes governed the purchases we made over the past year:

- We opened positions in several new markets. We added exposure to Turkey as the macro environment began to look more promising. Acquisitions included Turkiye Sigorta, which we view as the country's best insurance company, regional banks Akbank and Yapi Kredi, Turkish Airlines, an award-winning airline, Turkcell, an internet and digital services provider, and grocery retailer BIM. We also opened positions in Slovenia and Kazakhstan, due to the attractive income opportunities available in these markets. A new, out-of-index position in Georgia was motivated by our view that self-help stories, supported by attractive valuation and yield, are the right place to be.
- We participated in two successful UAE IPOs – Parking, mentioned above, which we find attractive given its reasonably high and predictable income, and Tecom, a property services business. Along with our existing holding Salik, an infrastructure operations company, these two companies provide the portfolio with exposure to structural growth within the UAE. They also appeal to us as they are all capital light businesses with high dividends.
- We also sought to capitalise on new investment opportunities in several markets, including Saudi Arabia. We bought an ARAMCO subsidiary, ARAMCO Base Oil – Luberef, a niche player in the base oil market. We also opened a position in Alkhorayef, a Saudi water company, and Tawuaniya, a key player in the Saudi insurance market. We purchased two Polish names, LPP, a clothing manufacturer and Kety, a producer of aluminium products, in anticipation of a recovery in earnings in 2025. We also initiated a position in Sarantis, a Greek family business manufacturing household and personal products, which is positioning itself as a regional player.

These new positions were funded in part by trims to existing holdings in South Africa and Saudi Arabia. We drew on cash reserves, as the persistent, broad-based strength of portfolio income has increased our confidence in the Company's ability to maintain and grow income over the longer term.

The outright sales of several holdings were motivated by changes in our investment view, or in the companies' earnings outlook or valuations. In South Africa, in addition to the sale of Naspers, we closed positions in Old Mutual, a provider of financial services across Africa, and Outsurance Group, a diversified insurer. We also sold two other financial names, Al Ansari, a UAE-based provider of financial services, and First Abu Dhabi Bank, and we closed positions in Industries Qatar, an agricultural inputs supplier and Jarir Marketing, a Saudi producer of office and school supplies.

These transactions have not altered the portfolio structure significantly at the sector level. We maintain our substantial overweights to banks and other financials, due to their low valuations and attractive dividends, and to energy companies, in part because we expect oil prices to rise over time. We remain underweight in all other sectors, most notably materials, as we do not see much value in petrochemicals at this stage of the commodity cycle.

Investment Manager's Report

At the country level, our largest active positions are in Greece, UAE, Hungary and Kazakhstan, as these markets all offer high income at reasonable valuations. As we have noted in previous reports, Greece is a particular favourite. We expect this market to continue to re-rate over time, led by Greek banks, which are benefiting from an advantageous funding arrangement provided by the European Central Bank that should lift valuations. Consistent with our focus on income, we especially like the high dividend policy of Greek consumer companies JUMBO and OPAP.

Conversely, we are most negative on Saudi Arabia, South Africa, Poland and Kuwait. Our Saudi underweight is based on our view that the valuation of petrochemicals names is still not appealing. In South Africa, we are pessimistic about the new coalition government's ability to lift the country out of economic stagnation and eliminate corruption. We hold some positions intended to generate income from this market, but we will not be increasing our overall country exposure. We remain cautious on Poland, due to ongoing political instability and on Kuwait, which continues to delay reforms and hold back economic growth.

At the stock level, our top holdings reflect our preference for quality names offering attractive yields at appealing valuations, high expected returns and earnings momentum.

The Company's top 10 holdings can be seen on page 23.

With an exception of Naspers (a South African holding company with most of its value coming from its holding in the Chinese technology company Tencent), EMAAR Properties (UAE, real estate company) and ARAMCO, our top ten holdings are dominated by banks. This reflects an early stage of the market development, where markets are mostly represented by financials and commodities.

Outlook

A change in the US's political leadership has recently occurred, conflict is ongoing in Ukraine and the Middle East, and it remains to be seen whether the new US President will be able to fulfil his commitment to end these wars. Furthermore, the collapse of the Al Basaad regime in Syria is widely expected to have profound implications for the entire region over the longer term, although it is unclear how events will play out. Given all these significant uncertainties, it is even more difficult than usual to predict the direction of EMEA markets over the near-term.

However, there are some observations we can make with reasonable confidence. For instance, it seems likely that interest rates will remain elevated over the coming year and are unlikely to return to the lows which were the norm over the past two decades. This will provide ongoing support for bank interest margins. The portfolio's overweight to financials will benefit accordingly. And with banks comprising almost 40% of the index, this should remain supportive for the entire market.

On a more sombre note, economic growth across the EMEA is likely to disappoint over the coming year. The reduction in oil production agreed in 2023, combined with the recent weakness in oil prices, is likely to weigh on energy companies and have an adverse impact on growth in the Middle East's oil-producing nations. We expect the recovery in central and eastern Europe and Africa to remain lacklustre. European countries will face additional challenges related to energy security and rising military expenditures, which are required to support Ukraine and strengthen national defences to discourage Russia from broaden this conflict. We expect earnings growth to be specific to companies, rather than regions, and in general earnings growth is likely to be lower than currently forecast. Consensus suggests earnings growth of 5% across EMEA markets in 2025, but we think growth of 7-8% is a more realistic expectation for our portfolio. We are skewed towards names with positive earnings momentum.

Given this relatively uninspiring economic backdrop, our preference across all markets is for defensive names. Companies with the wherewithal to generate reasonable growth and dividends should outperform, and more nimble, innovative, small and mid-size companies should do better than mega cap stocks. IPOs will remain an important driver of returns, as they have been in the last few years.

Investment Manager's Report

As we noted in the Half Year Report, stocks with exposure to the AI revolution have been very popular with global investors, but there are limited ways to gain exposure to this theme in the EMEA region. As with advent of the internet in 1990s, we expect a favourable impact on some companies, and on economic activity more broadly. And businesses will need to increase capital expenditure to incorporate AI into their production and administrative processes. But it is too early to say when and how investors will receive a payback from investments in this technology, especially in emerging markets.

Despite pervasive near-term geopolitical uncertainty and the disappointing outlook for growth, we remain optimistic about the longer-term prospects of emerging markets in Europe, the Middle East and Africa. We believe the region already offers equity investors compelling opportunities for growth, value and income, at attractive levels. And these markets will continue to expand and change very rapidly as more companies, offering an increasing range of goods and services, enter the investment universe.

In our view, this remains a very exciting investment environment in which to seek out high quality, attractively priced investment opportunities. We are well-supported in our quest by the depth and strength of JPMorgan Asset Management's research resources, which we believe provide us with a distinct competitive edge, as the research coverage of much of the region by other investors remains scant and shallow. The portfolio will continue to evolve over coming years as our target markets develop and deepen, and we look forward to reporting on the Company's further progress.

We thank you for your ongoing support.

For and on behalf of the Investment Manager

Oleg I. Biryulyov
Portfolio Manager

3rd February 2025

Environmental, Social and Governance Report

Note

Russia's invasion of Ukraine on 24th February 2022 and the effective closure of trading on the Russian equity markets has prevented J.P. Morgan Asset Management ('Investment Manager'/'we'/'us') from applying its usual ESG procedures to the Russian securities in JPMorgan Emerging Europe, Middle East & Africa Securities plc's ('the Company') portfolio. The following details below refer to the Investment Manager's usual ESG processes that applied to all the companies in the Company's portfolio before the invasion and all the securities acquired by the Company in 2023 following the widening of its investment objective in November 2022. The Company's ESG processes detailed below in respect of its Russian held securities will recommence as soon as permissible.

Background

Successful integration of financially material ESG factors in the investment process and effective engagement in Emerging Europe, Middle East & Africa requires detailed research, patience and persistence, which is best done by experienced local staff. Our team of investment managers, analysts and stewardship specialists are well positioned to ensure the effectiveness of our engagement on behalf of your Company.

How do we integrate ESG into our investment processes?

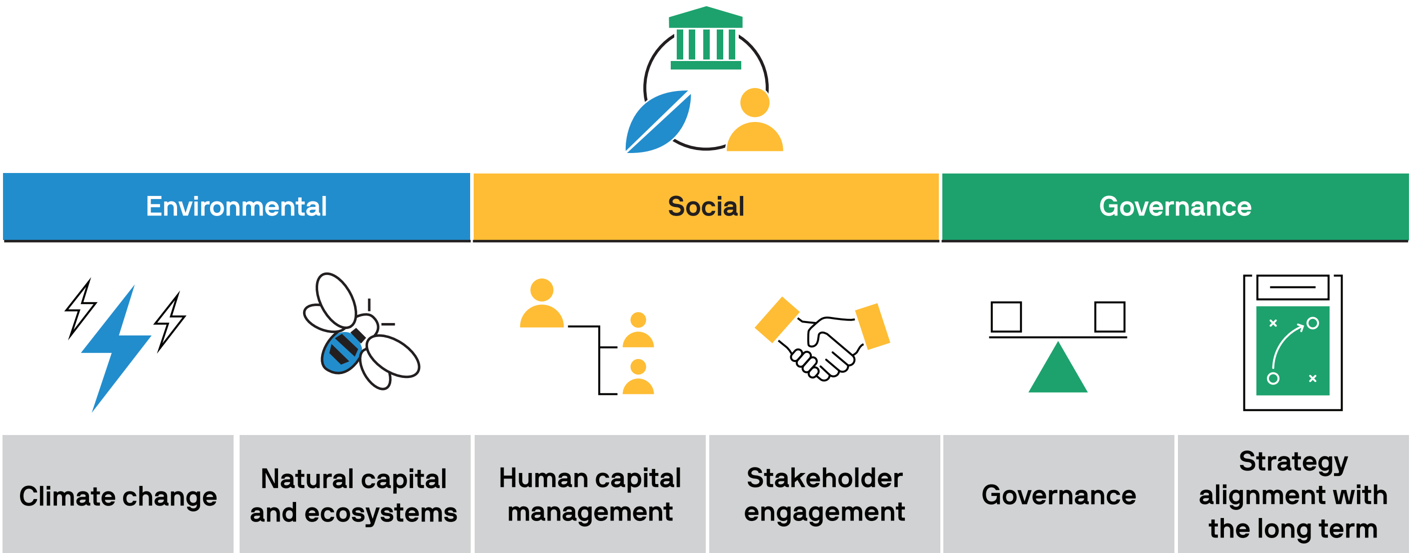
The Company is not a sustainable or environmental, social and governance ('ESG') investment vehicle. However, in actively managed strategies deemed by J.P. Morgan Asset Management ('JPMAM' or referred to as 'we' or 'us' below) to be ESG integrated under our governance process, we systematically assess financially material ESG factors (amongst other factors) in our investment analysis and investment decisions, where possible and appropriate, with the goals of managing risk and improving long-term returns. Essentially, we seek to determine whether, in our opinion, a company faces potential headwinds or tailwinds from ESG considerations which may ultimately have a significant impact on its share price.

ESG integration does not change the Company's investment objective, exclude specific types of companies, or constrain the Company's investable universe. However, our assessment of financially material ESG factors may influence our investment decision. Ultimately, it may impact our decision to purchase a stock or not, or a stock's position size due to our level of conviction.

We integrate financially material ESG considerations across all parts of our qualitative assessment of a business. First, we assign each business a strategic classification that ranges from Premium (best) to Quality and then to Standard. This label is arrived at after a thorough examination of economics, governance and the strength of the business model to endure. Financially material Environmental and Social issues have always been part of our assessment of duration, along with broader considerations like the competitive and regulatory landscape faced by the business.

Engagement

We recognise and embrace our wider stewardship responsibilities to clients as a major asset owner. We use engagement to understand better and encourage portfolio companies to develop and adopt practices to manage their risk and create long-term shareholder value. Active ownership in the context of ESG integration allows us to manage financially material ESG risks and systematically to incorporate insights gained from engagement into our investment decisions. To shape that engagement, six overarching principles are defined by the specialist Sustainable Investment team within JPMAM.



Environmental, Social and Governance Report

We hope the case studies set out below help illustrate how these principles and frameworks work together to create a coherent and effective approach to corporate engagement. The companies mentioned are all held in your company's portfolio and are just a few examples of the ongoing dialogue that we maintain with all the companies in which we invest on your behalf.

Emaar Properties

Emaar Properties is currently held in the company's portfolio. Emaar has developed a customised energy management program to achieve 15-20% reduction in energy consumption (~21000-22000 MTCO2eq) over the next five years across Emaar's operational portfolio. As per the latest sustainability report published in 2024, Emaar increased the total renewable energy capacity across its communities from 2.4 MWp in 2021 to 11.74 MWp in 2023. Being the largest real estate developer in UAE and with an increasing footprint, Emaar plays an important role in biodiversity conservation and promotion. As part of a COP28 initiative, Emaar Hospitality planted 364 Grey mangrove trees at Al Zorah Reserve, Ajman. Emaar is committed to its corporate ethos of giving back to the community. After the Dubai floods in April 2024, the group announced to undertake the repair of all properties within its communities at its own cost.

We had discussed with the management about revision of dividend policy after strong operating performance over 2021 to 2024 and significant increase in cash flows. The company announced a new dividend policy on 13th December 2024, roughly doubling the dividend distribution for FY24 and upcoming years.

Proxy Voting

J.P. Morgan Asset Management exercises the voting rights of shares held in all client portfolios where entrusted with this responsibility. We seek to vote in a prudent and diligent manner, based exclusively on our reasonable judgement of what will best serve the financial interests of our clients. So far as is practicable, we will vote at all of the meetings called by companies in which we are invested.

Following Russia's invasion of Ukraine on 24th February 2022, the Company has not voted its shares in its Russian held companies except where not to vote would result in the Company incurring mandatory obligations. Voting activity in the Company's Russian holdings will recommence as soon as permissible and practicable.

A summary of key voting statistics and activity for the Company during the period is detailed below:

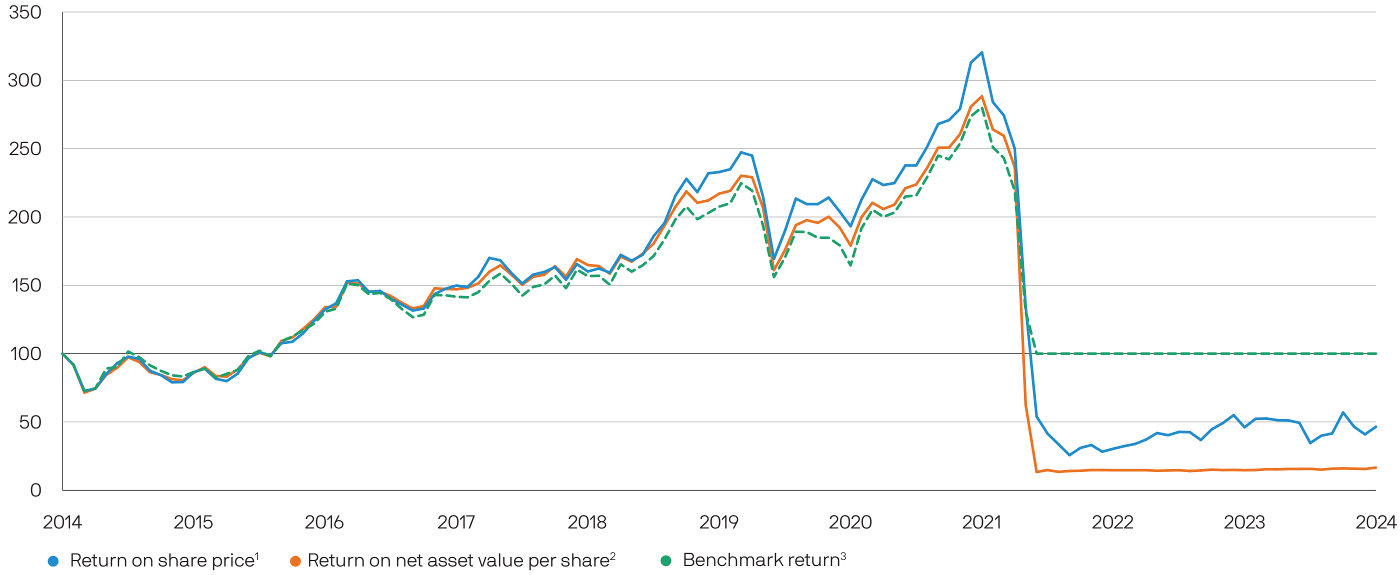
	For	Against	Abstain	Against/ Abstain Total	Total Items	% Against/ Abstain
Audit Related	64	13	0	13	77	17%
Capitalisation	90	6	1	7	97	7%
Company Articles	68	9	0	9	77	12%
Compensation	208	54	2	56	264	21%
Director Election	130	27	203	230	360	64%
Director Related	243	21	1	22	265	8%
Environmental and Social Blended	3	0	0	0	3	0%
Miscellaneous	43	17	0	17	60	28%
No Research	1	1	0	1	2	50%
Non-Routine Business	113	6	0	6	119	5%
Routine Business	336	2	0	2	338	1%
Social	3	2	0	2	5	40%
Strategic Transactions	18	4	0	4	22	18%
Takeover Related	2	0	0	0	2	0%
Total	**1,322**	**162**	**207**	**369**	**1,691**	**22%**

J.P. Morgan Asset Management

Long Term Record

Ten year performance

Figures have been rebased to 100 at 31st October 2014



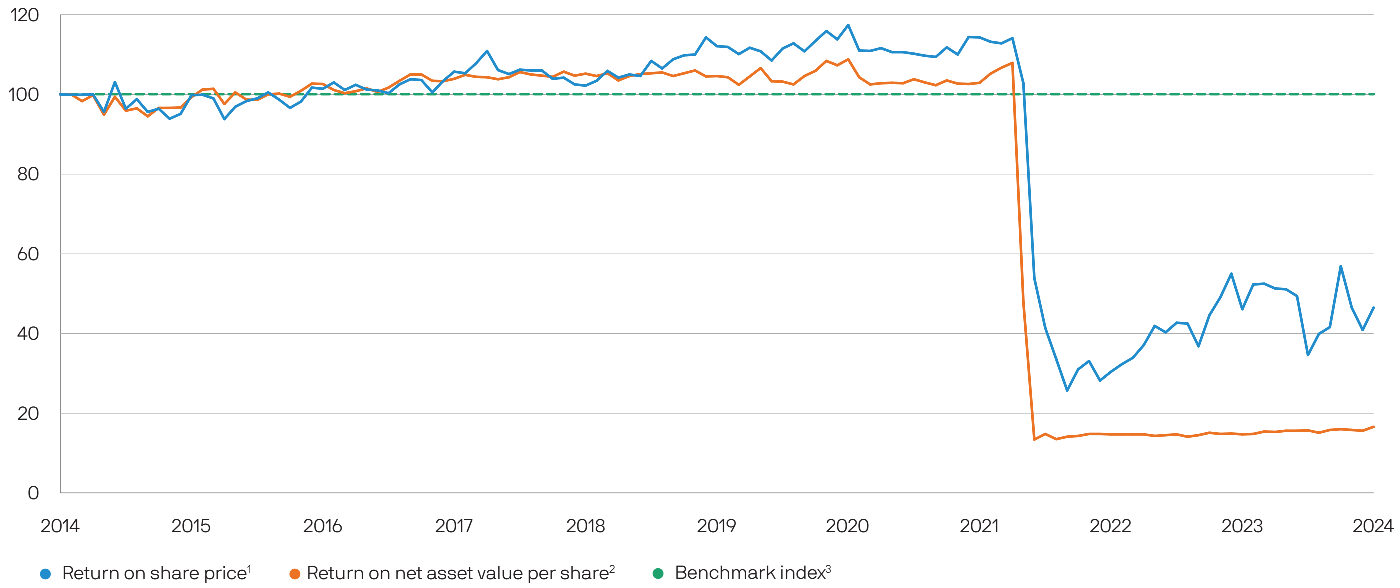
[1] Source: Morningstar.

[2] Source: Morningstar/J.P. Morgan, using net asset value per share.

[3] Until 1st March 2023, the Company's benchmark was the RTS index in sterling terms, which has been suspended to western news services. Consequently no benchmark information is provided for periods after 28th February 2022. Since 1st March 2023, the Company has adopted the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP as a reference index, following the change to the Company's Investment Objective and Investment Policies, see below.

Performance relative to old benchmark

Figures have been rebased to 100 at 31st October 2014.



[1] Source: Morningstar.

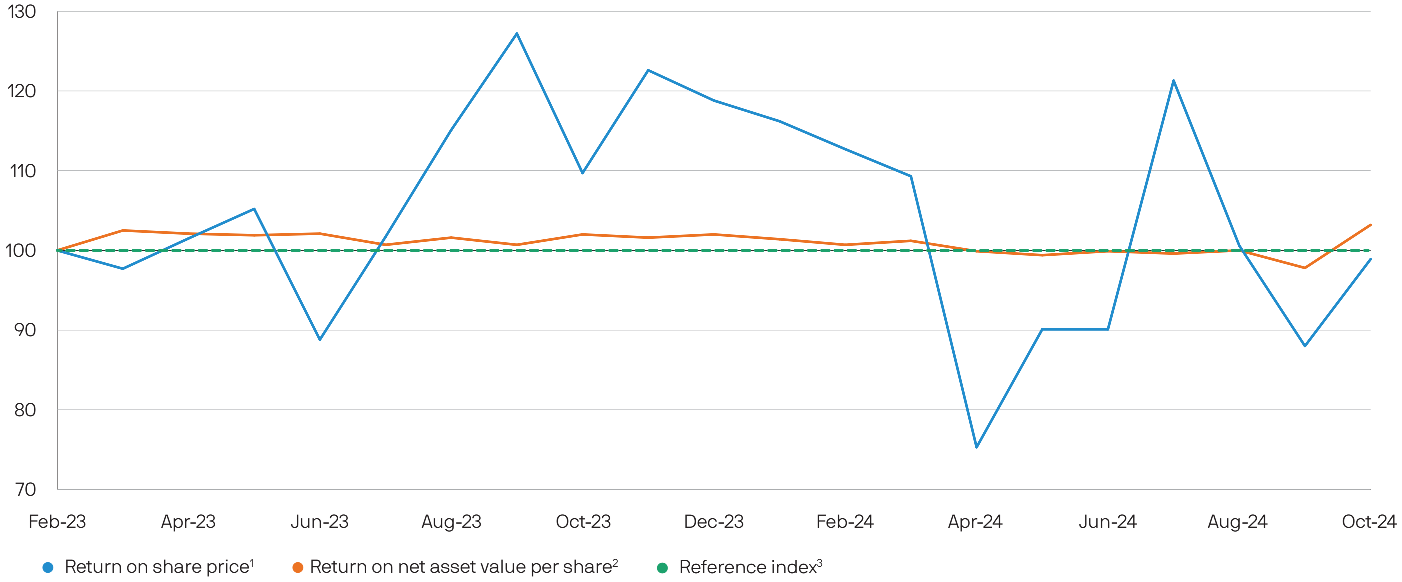
[2] Source: Morningstar/J.P. Morgan, using net asset value per share.

[3] The Company's benchmark was the RTS index in sterling terms which has been suspended to western news services. Consequently no benchmark information is provided for periods after 28th February 2022. Since 1st March 2023, the Company has adopted the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP as a reference index, following the change to the Company's Investment Objective and Investment Policies.

Long Term Record

Performance relative to new reference index, since 1st March 2023

Figures rebased to 100 at 28th February 2023



1 Source: Morningstar.

2 Source: Morningstar/J.P. Morgan, using net asset value per share.

3 Following shareholder approval of the change to the Company's Investment Objective and Investment Policies, the Company adopted the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP as a reference index with effect from 1st March 2023.

Long Term Record

Ten year financial record

At 31st October	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net assets (£'m)	236.4	194.6	284.9	300.4	303.2	360.3	266.1	397.0	18.9	18.9	21.2
Net asset value per share (p)[A]	450.0	371.9	544.3	574.7	617.6	780.8	613.4	973.6	46.7	46.7	52.5
Share price (p)	386.8	320.5	455.0	491.5	500.0	694.0	545.0	864.0	79.0	119.9	120.5
Share price (discount)/premium (%)[A]	(14.0)	(13.8)	(16.4)	(14.5)	(19.0)	(11.1)	(11.2)	(11.3)	69.1	156.7	129.5
(Net Cash)/gearing (%)[A]	(1.0)	(1.4)	(1.8)	(2.1)	(1.3)	(0.8)	(1.6)	(2.8)	(89.8)	(8.0)	0.2
Ongoing charges (%)[A]	1.50	1.43	1.40	1.33	1.33	1.28	1.29	1.21	1.22	3.19	4.17
Year ended 31st October											
Gross revenue (£'000)	9,383	13,598	11,109	15,980	19,207	25,025	20,207	19,701	6,029	850	1,009
Revenue return per share (p)	13.38	19.60	15.47	23.97	29.58	40.04	34.01	35.53	10.66	0.76	0.56
Dividends per share (p)[1]	13.0	17.0	14.0	21.0	26.0	35.0	35.0	35.0	15.0	0.5	0.5
Total return rebased to 100 at 31st October 2014											
Return on share price[2,A]	100.0	86.5	132.4	149.8	160.1	232.9	193.2	320.4	30.4	46.1	46.5
Return on net asset value per share[3,A]	100.0	86.0	134.0	147.1	164.8	217.1	179.1	288.3	14.7	14.7	16.6
Benchmark[4]	100.0	86.6	130.6	141.6	156.7	207.6	164.6	280.3	130.6	n/a	n/a

[1] 2015 includes a special dividend of 4.0p.

[2] Source: Morningstar.

[3] Source: Morningstar/J.P. Morgan, using net asset value per share.

[4] Source: Morningstar. Until 28th February 2023, the Company's benchmark was the RTS index in sterling terms which has been suspended to western news services since February 2022. Consequently, no benchmark returns are provided for periods after 28th February 2022.

Since 1st March 2023, the Company adopted the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP as a reference index, following shareholder approval of the change to the Company's Investment Objective and Investment Policies. Refer to page 6 for total returns since 1st March 2023.

[A] Alternative Performance Measure ('APM').

A glossary of terms and APMs' is provided on pages 88 to 91.

Portfolio Information

Ten largest investments

At 31st October

		2024 Valuation		2023 Valuation	
Company	Sector	£'000	%[1]	£'000	%[1]
Al Rajhi Bank	Financials	645	3.0	771	4.4
Qatar National Bank	Financials	524	2.5	432	2.5
Naspers	Consumer Discretionary	505	2.4	535	3.1
FirstRand	Financials	486	2.3	442	2.5
Standard Bank	Financials	428	2.0	381	2.2
Saudi Arabian Oil	Energy	411	1.9	698	4.0
Gold Fields	Materials	398	1.9	341	2.0
Emaar Properties	Real Estate	387	1.8	366	2.1
Saudi National Bank	Financials	353	1.7	599	3.4
OTP Bank	Financials	340	1.6	242	1.4
Total[2]		**4,477**	**21.1**		

[1] Based on total investments of £21.2m (2023: £17.4m).

[2] At 31st October 2023, the value of ten largest equity investments amounted to £5.0m representing 28.8% of total investments.

A glossary of terms and APMs' is provided on pages 88 to 91.

Sector analysis

	31st October 2024		31st October 2023	
	Portfolio %[1]	Reference Index %[2]	Portfolio %[1]	Reference Index %[2]
Financials	47.2	38.5	39.3	38.5
Energy	14.8	6.9	17.4	7.5
Consumer Discretionary	7.8	8.8	9.7	7.7
Industrials	6.3	8.4	5.9	8.3
Materials	5.7	11.2	6.7	13.4
Consumer Staples	5.1	5.3	6.2	5.0
Communication Services	4.6	6.8	7.7	7.5
Real Estate	4.1	5.2	4.3	4.6
Utilities	1.8	4.9	0.9	1.2
Health Care	1.3	2.7	1.0	2.3
Information Technology	1.3	1.3	0.9	4.0
Total	**100.0**	**100.0**	**100.0**	**100.0**

[1] Based on total investments of £21.2m (2023: £17.4m).

[2] Following shareholder approval of the change to the Company's Investment Objective and Investment Policies, the Company adopted the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP as a reference index with effect from 1st March 2023.

Portfolio Information

Geographical

	31st October 2024		31st October 2023	
	Portfolio %[1]	Reference Index %[2]	Portfolio %[1]	Reference Index %[2]
Saudi Arabia	21.6	30.2	31.7	29.8
South Africa	17.0	22.9	23.8	21.0
United Arab Emirates	14.4	12.2	14.2	12.0
Greece	8.5	3.9	5.5	3.6
Russia	6.7	—	8.9	—
Turkey	6.4	7.6	—	8.5
Poland	6.0	7.1	1.0	7.2
Hungary	4.4	1.6	2.6	1.5
Kazakhstan	4.4	—	2.3	—
Qatar	4.0	5.9	5.2	6.4
Slovenia	1.5	—	—	—
Austria	1.4	—	—	—
United Kingdom	1.2	—	1.2	0.8
Georgia	1.2	—	1.1	—
Czech Republic	0.7	0.9	0.8	1.1
Romania	0.6	—	0.8	—
Kuwait	—	6.2	0.9	6.5
Egypt	—	0.8	—	1.1
Netherlands	—	0.4	—	0.3
Belgium	—	0.2	—	0.1
Monaco	—	0.1	—	0.1
Total	**100.0**	**100.0**	**100.0**	**100.0**

[1] Based on total investments of £21.2m (2023: £17.4m).

[2] Following shareholder approval of the change to the Company's Investment Objective and Investment Policies, the Company adopted the S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP as a reference index with effect from 1st March 2023.

Portfolio Information

List of investments

At 31st October 2024

Company	Valuation £'000	% of the total portfolio
Saudi Arabia		
Al Rajhi Bank	645	3.0
Saudi Arabian Oil	411	1.9
Saudi National Bank	353	1.7
Riyad Bank	291	1.4
Alinma Bank	290	1.4
Elm	264	1.3
Saudi Telecom	215	1.0
Saudi Awwal Bank	192	0.9
Saudia Dairy & Foodstuff	191	0.9
Leejam Sports	179	0.8
Company for Cooperative Insurance	177	0.8
United International Transportation	172	0.8
Riyadh Cables	170	0.8
Saudi Aramco Base Oil	170	0.8
Ades	160	0.8
Bupa Arabia for Cooperative Insurance	154	0.7
Alkhorayef Water & Power Technologies	153	0.7
Cenomi Centers	136	0.7
Aldrees Petroleum and Transport Services	131	0.6
Arabian Drilling	127	0.6
	4,581	**21.6**
South Africa		
Naspers	505	2.4
FirstRand	486	2.3
Standard Bank	428	2.0
Gold Fields	398	1.9
Shoprite	267	1.3
Sanlam	264	1.2
Absa	262	1.2
Harmony Gold Mining	259	1.2
Bidvest	227	1.1
Motus	155	0.7
Foschini	149	0.7
AVI	145	0.7
Clicks	68	0.3
	3,613	**17.0**

Company	Valuation £'000	% of the total portfolio
United Arab Emirates		
Emaar Properties	387	1.8
Emirates NBD Bank	314	1.5
Abu Dhabi Commercial Bank	282	1.4
Adnoc Gas	249	1.2
Abu Dhabi Islamic Bank	242	1.1
Dubai Electricity & Water Authority	242	1.1
ADNOC Drilling	239	1.1
Parkin	212	1.0
Salik	191	0.9
Dubai Islamic Bank	191	0.9
Aldar Properties	191	0.9
ADNOC Logistics & Services	164	0.8
TECOM	158	0.7
	3,062	**14.4**
Greece		
National Bank of Greece	219	1.0
JUMBO	216	1.0
Eurobank Ergasias Services	202	1.0
Metlen Energy & Metals	200	0.9
Piraeus Financial	185	0.9
Alpha Services	169	0.8
Hellenic Telecommunications Organization	161	0.8
Motor Oil Hellas Corinth Refineries	153	0.7
OPAP	150	0.7
Sarantis	144	0.7
	1,799	**8.5**

Portfolio Information

List of investments

At 31st October 2024

Company	Valuation £'000	% of the total portfolio
Russia		
LUKOIL[1]	276	1.3
Gazprom, ADR[1]	223	1.0
Sberbank of Russia[1]	208	1.0
Novatek[1]	141	0.7
MMC Norilsk Nickel[1]	134	0.6
Rosneft Oil[1]	100	0.5
Novolipetsk Steel[1]	55	0.3
Magnit[1]	53	0.2
Gazprom Neft[1]	48	0.2
Tatneft[1]	44	0.2
Rostelecom[1]	41	0.2
VTB Bank[1]	40	0.2
Polyus[1]	26	0.1
Md Medical, GDR[1]	19	0.1
Sistema[1]	14	0.1
X 5 Retail, GDR[1]	1	0
Severstal, GDR[1]	–	0
	1,423	**6.7**
Turkey		
Turkcell Iletisim Hizmetleri	216	1.0
BIM Birlesik Magazalar	212	1.0
Akbank	180	0.9
Turk Hava Yollari	173	0.8
Turkiye Petrol Rafinerileri	166	0.8
Yapi ve Kredi Bankasi	143	0.7
Turkiye Sigorta	133	0.6
Turkiye Garanti Bankasi	129	0.6
	1,352	**6.4**
Poland		
Powszechna Kasa Oszczednosci Bank Polski	321	1.5
Bank Polska Kasa Opieki	247	1.2
LPP	200	0.9
Powszechny Zaklad Ubezpieczen	198	0.9
Grupa Kety	163	0.8
KRUK	157	0.7
	1,286	**6.0**
Hungary		
OTP Bank	340	1.6
Richter Gedeon	251	1.2
Magyar Telekom Telecommunications	178	0.8
MOL Hungarian Oil & Gas	175	0.8
	944	**4.4**

Company	Valuation £'000	% of the total portfolio
Kazakhstan		
Kaspi.KZ, ADR	317	1.5
Halyk Savings Bank of Kazakhstan, GDR	316	1.5
NAC Kazatomprom, GDR	298	1.4
	931	**4.4**
Qatar		
Qatar National Bank	524	2.5
Qatar Gas Transport	177	0.8
Ooredoo	147	0.7
	848	**4.0**
Slovenia		
Nova Ljubljanska banka d.d., GDR	315	1.5
	315	**1.5**
Austria		
Erste Bank	167	0.8
Raiffeisen Bank International	121	0.6
	288	**1.4**
United Kingdom		
Bank of Georgia	258	1.2
	258	**1.2**
Georgia		
TBC Bank	252	1.2
	252	**1.2**
Czech Republic		
Komercni Banka	151	0.7
	151	**0.7**
Romania		
Banca Transilvania	132	0.6
	132	**0.6**
Cyprus		
Fix Price, GDR[1]	4	—
TCS, GDR[1]	2	—
	6	**—**
Total Investments	**21,241**	**100.0**

[1] Following Russia's invasion of Ukraine and closure of the Moscow Exchange (MOEX) to overseas investors, including the Company, a fair value valuation method was applied to the Company's holdings in Russian stocks. Therefore the Company has applied an alternative valuation method. For its MOEX local stock, a fair value adjustment has been applied to the last trade price on 25th February 2022. The price of these stocks has been determined by taking the live market price as at 25th February 2022 and applying a 99% provision for valuation and for American Depositary Receipts and Global Depositary Receipts a fair value adjustment has been applied to the last trade price on 2nd March 2022.

See glossary of terms and APM's on page 94 for definition of ADR and GDR.

Company Purpose, Investment Objective, Policies and Guidelines

The aim of the Strategic Report in pages 8 to 41 is to provide shareholders with the ability to assess how the Directors have performed their duty to promote the success of the Company during the year under review. To assist shareholders with this assessment, the Strategic Report sets out the structure and objective of the Company, its investment policies and risk management, investment limits and restrictions, performance and key performance indicators, share capital, principal risks and how the Company seeks to manage those risks, including the Company's environmental, social and ethical policy, future developments and long term viability.

The Company's Purpose, Values, Strategy and Culture

The purpose of the Company is to provide a cost effective, sustainable investment vehicle for investors who seek to maximise total return from a diversified portfolio of investments in Emerging Europe (including Russia), Middle East and Africa securities, taking account of wider issues including environmental, social and governance. To achieve this, the Board of Directors is responsible for employing and overseeing an investment management company that has appropriate investment expertise, resources and controls in place to meet the Company's investment objective. To ensure that it is aligned with the Company's purpose, values and strategy, the Board comprises Directors who have a breadth of relevant experience and contribute in an open boardroom culture that both supports and challenges the investment management company and its other third party suppliers.

Structure and Objective of the Company

The Company was launched in 2002 and is an investment trust listed in the Closed Ended Investment Fund category on the London Stock Exchange. Its objective is to maximise total returns to shareholders, from investing in Emerging Europe (including Russia), Middle East and Africa. In seeking to achieve this objective the Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager') which in turn delegates portfolio management to JPMorgan Asset Management (UK) Limited ('JPMAM' or Investment Manager) to actively manage the Company's assets. The Board has determined investment policies and related guidelines and limits, as described below. It aims to maximise total returns for shareholders, in the long term with net dividends reinvested, expressed in sterling terms. The Company is subject to UK legislation and regulations including UK company law, UK Financial Reporting Standards, the UK Listing, Prospectus, Disclosure Guidance and Transparency Rules, the Market Abuse Regulations, taxation law and the Company's own Articles of Association. Since 31st December 2021, new autonomous UK regulations became effective replacing those of the EU regulations. Those EU regulations that were relevant to the Company, have been incorporated by UK regulations and therefore, remain unchanged.

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been approved by HMRC as an investment trust (for the purposes of Sections 1158 and 1159 of the Corporation Tax Act 2010). As a result the Company is not liable to taxation on capital gains. The Directors have no reason to believe that approval will not continue to be retained.

A review of the Company's activities and prospects is given in the Chairman's Statement on pages 8 to 11, and in the Investment Manager's Report on pages 12 to 17.

Investment Policies and Risk Management

In order to achieve its objective and manage risk, the Company invests in a diversified portfolio of investments primarily in securities or other companies which operate in Emerging Europe (including Russia), Middle East and Africa. The investment portfolio is managed by Oleg Biryulyov, a Russian fund manager, currently based in London, with full support from JPM Emerging Markets and Asia Pacific team (EMAP), including sector specialists. The Board also discusses the economy and political developments of the countries invested in depth at Board meetings and considers the possible implications for the investment portfolio.

Investment Limits and Restrictions

The Board seeks to manage some of the Company's risks by imposing various investment limits and restrictions.

- The Company will not normally invest in unlisted securities.
- At the time of purchase, the maximum permitted exposure to each individual company is 15% of the Company's gross assets.
- The Company will not normally invest in derivatives.
- The Company will utilise liquidity and borrowings in a range of 10% net cash to 15% geared (calculated at the time of drawdown), in typical market conditions.
- No more than 15% of gross assets are to be invested in other UK listed investment companies (including investment trusts).

Compliance with the Board's investment restrictions and guidelines is monitored continuously by the Manager and is reported to the Board on a monthly basis.

These limits and restrictions may be varied by the Board at any time at its discretion.

The economic sanctions introduced by the USA and European Union against Russia and Crimea since 2014 continue and were augmented in following Russia's invasion of Ukraine on 24th February 2022. The Manager undertakes regular checks of holdings to ensure compliance and reports to the Board. The Board has also implemented a rapid response communication process with the Investment Manager, which allows the Board to receive immediate updates from the Investment Manager and take decisions as quickly as possible.

Company Purpose, Investment Objective, Policies and Guidelines

Active Fund Management Rationale

JPMAM's investment process has been specifically designed for emerging markets and has been refined over 30 years of active management experience in the region.

Highlights of the investment strategy are:

- Inefficient, immature emerging markets reward active investment management not indexation.
- Identifying growth companies that are well managed to maximise shareholder returns brings outperformance through fundamental bottom-up research.
- Valuation disciplines avoid overpaying for growth.
- JPMAM believes that assets are best managed by specialists from the markets and regions in which they have expertise and they have therefore established a strong presence around the region. Company visits and local knowledge are also key.

JPMAM has managed emerging market equity mandates since 1991. JPMAM's EMAP team is responsible for managing all global, regional and single country Emerging Markets and Asia Pacific equity portfolios, with investment professionals located in eight locations across the globe. The EMAP Equities team managed US$145 billion in assets globally at the end of this reporting period.

Performance

In the year ended 31st October 2024, the Company produced a total return on share price of +0.9% and a total return on net asset value per share of +13.6%. A Benchmark is not available to allow a comparison. As at 31st October 2024, the value of the Company's investment portfolio was £21.2 million. The Investment Manager's Report on pages 12 to 17 includes a review of developments during the year.

The results of the investment strategy, as detailed above, and the performance of the Company against its reference index, as identified on page 20 are regularly reviewed by the Board together with data relating to the performance of the Company's Peers and feedback from some of the major shareholders. The Board also considers factors likely to affect the future performance of the Company.

Total Return, Revenue and Dividend

Gross total return for the year totalled £3,413,000 (2023: Gross total return £628,000). Net total return after deducting management fee, administrative expenses, and taxation, amounted to £2,531,000 (2023: Net total loss £8,000). Net revenue return after taxation for the year amounted to £225,000 (2023: £306,000).

Key Performance Indicators ('KPIs')

The Board uses a number of financial KPIs to monitor and assess the performance of the Company. The principal KPIs are detailed below. The application of these performance measures were interrupted following Russia's invasion of Ukraine on 24th February 2022. This is because the Moscow Exchange (MOEX) was closed to many overseas investors, including the Company. This resulted in the Company being prohibited from trading, thereby negating the purpose of measuring the Company's performance against its benchmark. Furthermore, during the reporting period data from many Russian benchmarks, including the Company's ceased to be distributed by western news services.

- **Performance against the reference index**

  The principal objective is to maximise total return. However, since Russia's invasion of Ukraine and subsequent closure of the Russian market to western companies it was not possible to measure the Company's performance against its benchmark. For details of the Company's reference index following the amendment to its investment objective on 23rd November 2022 see the Company's Key Features on page 2.

- **Performance against the Company's peers**

  The Board also monitors the performance relative to a broad range of competitor funds. The Company's performance and that of its peers have all suffered dramatic reductions in performance since Russia's invasion of Ukraine. Following the amendment to the Company's investment objective on 23rd November 2022, the Company's performance is compared with a range of peers.

- **Performance attribution**

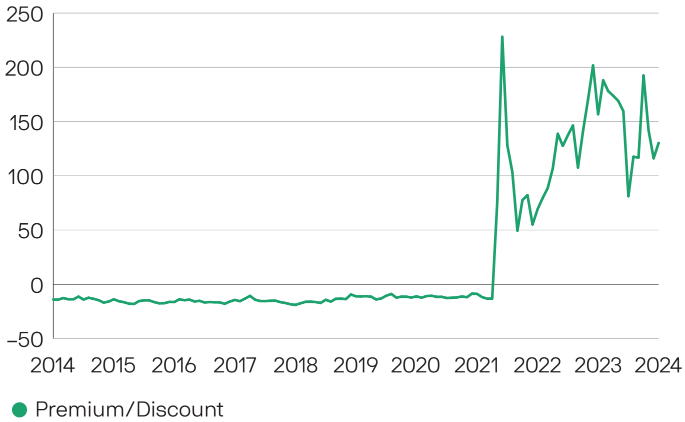
  The purpose of performance attribution analysis is to assess how the Company achieved its performance relative to its reference index, i.e. to understand the impact on the Company's relative performance of the various components such as asset allocation and stock selection.

- **Share price discount/premium to net asset value ('NAV') per share**

  For details of the Company's Discount Control see the Chairman's Statement on page 10. Since Russia's invasion of Ukraine on 24th February 2022, the Board withdrew its share buyback commitment. In the year ended 31st October 2024, the Company's shares traded between a premium of 79.3% and 209.4%. See also the Share Capital section below for further details.

Company Purpose, Investment Objective, Policies and Guidelines

Premium/(Discount) %



Source: Datastream.

- **Ongoing charges**

  The Ongoing charges represent the Company's management fee and all other operating expenses excluding finance costs, expressed as a percentage of the average daily net assets during the year. The Ongoing charges for the year ended 31st October 2024 were 4.17% (2023: 3.19%). See note 6 on page 74. The Board reviews each year an analysis which shows a comparison of the Company's Ongoing charges. The management fee has been reinstated with effect from 1st March 2023 on the Company's non-Russian held assets.

Share Capital

During the year, the Company has not repurchased its own shares (no shares were purchased in 2023). Further details regarding the Company's current approach to share buy backs can be seen in the Chairman's report on page 10.

For details of the Company's Continuation Vote and Discount Control arrangements, see the Key Features at the front of this document.

A resolution to renew the authority to repurchase shares at a discount to NAV is due to be put to shareholders at the forthcoming Annual General Meeting.

The Company did not issue any new shares during the year.

Board Diversity and Inclusion

When recruiting a new Director, the Board's policy is to appoint individuals on merit. Diversity is important in bringing an appropriate range of skills and experience to the Board.

In accordance with Listing Rule 6.6.6R the Board has provided the following information in relation to its diversity based on the position at the Company's financial year ended 31st October 2024:

Gender	Number of Board Members	Percentage of Board	Number of Senior Roles[1]
Male	3	75%	2
Female	1	25%	0
Ethnicity			
White British or any any other white background)	4	100%	2
Ethnic Minority	—	—	—

[1] The roles of Chairman of the Board of Directors and Senior Independent Director are classified as senior positions.

The information in the above table is obtained in the annual appraisal process of the Directors, Board and Committees.

The Listing Rules targets that: i) 40% of a board should be women; ii) at least one senior role should be held by a woman; and iii) at least one board member should be from a minority ethnic background, as defined by the Office of National Statistics (ONS) criteria. At 31st October 2024, the Board did not meet these targets. This is because the retirement and resignations of female directors around the time of the Russian invasion of Ukraine in 2022 reduced the Board to three male directors. In addition, the effective 'freezing' of the Company's assets and revenue due to the sanctions that followed the invasion made it impractical for the Board to undertake recruitment. These factors mean that the current size of the Board with only non-executive Directors presents challenges to ensuring targeted diversity in the Board. Now that the Company is on a steadier footing in terms of revenue generation, the Board undertook a recruitment search during the period as detailed in the Chairman's Statement and appointed Yulia Chekunaeva as a non-executive director on 1st July 2024. Following the retirement of Nicholas Pink, the Board are undertaking a recruitment search as detailed in the Chairman's statement.

For further details of the Board during the period please see the Directors section of the Chairman's Statement.

The Company has no employees and, therefore, there is nothing further to report in respect of diversity within the Company.

Employees, Social, Community, Environment and Human Rights Issues

The Company is managed by its Manager, has no employees and all of its Directors are non-executive. The day to day activities being carried out by third parties. There are therefore no disclosures to be made in respect of employees.

Company Purpose, Investment Objective, Policies and Guidelines

The Board notes JPMAM and JPMorgan Chase's global policy statements in respect of Social, Community and Environmental and Human Rights issues, as highlighted in italics:

We are committed to becoming the world's most diverse and inclusive asset manager. We know diverse perspectives create differentiated thinking. We know our client relationships are stronger when our teams mirror the communities in which we work and invest. We reflect these beliefs in our hiring, development and promotion practices, and by nurturing a culture in which everyone is judged on their merits and empowered to hold each other accountable. Beyond our firm, we put our people and assets to work to help advance equity and economic opportunities – and influence other companies to do the same. We continually reinvest in our communities to close opportunity gaps wherever they exist.

We're working to support the transition to a low-carbon economy by scaling green solutions, balancing environmental, social and economic needs, and managing our operational footprint. We help clients navigate the challenges and realise the economic opportunities of the transition to a low-carbon economy. We believe supporting our clients, through advice and capital, to accelerate their low-carbon transition objectives creates positive environmental benefits and generates long-term financial returns for our shareholders.

We seek to deliver stronger financial outcomes, including by focusing on the most financially material environmental, social and governance (ESG) issues that we believe impact the long-term performance of companies in which we invest. Additionally, we advocate for robust corporate governance and sound business practices. We believe that understanding financially material ESG factors plays an important role in delivering long-term value creation for our clients.

JPMorgan Chase supports fundamental principles of human rights across all our lines of business and in each region of the world in which we operate. JPMorgan Chase's respect for the protection and preservation of human rights is guided by the principles set forth in the United Nations Universal Declaration of Human Rights. JPMorgan Chase believes it is the role of government in each country to protect the human rights, including the safety and security, of its citizens. However, we believe we can play a constructive role in helping to promote respect for human rights by our own actions and by seeking to engage with the governments of the countries with and in which we operate.

The Modern Slavery Act 2015 (the 'MSA')

The MSA requires companies to prepare a slavery and human trafficking statement for each financial year of the organisation. As the Company has no employees and does not supply goods and services, the MSA does not apply directly to it. The MSA requirements more appropriately relate to JPMF and JPMAM. JPMorgan's statement on the MSA can be found on the following website: https://www.jpmorganchase.com/about/our-business/human-rights

Future Developments

The future development of the Company is dependent upon the success of the Company's investment strategy in the light of economic and equity market developments. The Chairman and Investment Manager discuss the outlook in their respective reports on pages 11 to 17.

Greenhouse Gas Emissions

The Company itself has no premises, consumes no electricity, gas or diesel fuel and consequently does not have a measurable carbon footprint. As a low energy user under HMRC guidelines it is not required to disclose energy and carbon information. The Board notes the policy statements from the Investment Manager in respect of Social, Community and Environmental and Human Rights issues and Greenhouse Gas Emissions and that it is a signatory to the CDP, as well as JPMorgan Chase being a signatory to the Equator Principles on managing social and environmental risk in project finance.

Corporate Criminal Offence

The Company maintains zero tolerance towards tax evasion. Shares in the Company are purchased through intermediaries or brokers, therefore no funds flow directly into the Company.

As the Company has no employees, the Board's focus is to ensure that the risk of the Company's service providers facilitating tax evasion is also low.

To this end it seeks assurance from its service providers that effective policies and procedures are in place.

Principal and Emerging Risks

The Directors confirm that they have carried out a robust assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. With the assistance of JPMF, the Audit Committee has drawn up a risk matrix, which identifies the key risks to the Company. These are reviewed and noted by the Board. The risks identified and the broad categories in which they fall, and the ways in which they are managed or mitigated are summarised below. The AIC Code of Corporate Governance requires the Audit Committee to put in place procedures to identify emerging risks. The key emerging risks identified are also summarised below.

Principal risk	Description	Mitigating activities	Movement from prior year
Investment Management and Performance			
Investing in Emerging Markets	Investors should note that there are significant risks inherent in investing in emerging market securities not typically associated with investing in securities of companies in more developed countries. In terms of gauging the economic and political risk of investing in emerging markets, it frequently appears in the higher risk categories when compared with most Western countries. The value of emerging market securities, and therefore the net asset value of the Company, may be affected by uncertainties such as economic, political or diplomatic developments, social and religious instability, taxation and interest rates, currency repatriation restrictions, crime and corruption and developments in the law or regulations in emerging markets and, in particular, the risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership. Some of these risks arise in the current VTB legal case against JPM entities and The Company referred to in Chair statement and recent RNS announcements. Such factors may lead to a reduction in the size of the Company's net assets and it becoming unviable. Russia's invasion of Ukraine on 24th February 2022 led to the realisation of some of the above risks and Russia becoming a pariah state for western investors. The conflict in the Middle East from October 2023 has increased the possibility of further instability in the region.	Following Russia's invasion of Ukraine on 24th February 2022, the prohibition of trading of Russian securities, prohibition on the ultimate receipt of dividends and reduction in the value of the Company by circa 95% led the Board to propose a shareholder resolution to widen the Company's investment objective and permit investments in Emerging Europe, Africa & Middle East. Shareholders approved the widening of the Company's investment objective on 23rd November 2022 and the Company acquired shares under its new investment objective in the first quarter of 2023. The Board also temporarily suspended its dividend payment policy and the Company's financial statements no longer reflect dividends receivable from the Company's Russian stocks. The Board's activities also included reviewing the value of the Company's portfolio, discount/premium to share price, sanctions, counter-parties status, inability to trade stocks and review of investment strategy. The Board has sought external professional advice where appropriate.	↑

Principal and Emerging Risks

Principal risk	Description	Mitigating activities	Movement from prior year
Investment Management and Performance			
Share Price Discount to Net Asset Value ('NAV') per Share	If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The widening of the discount can be seen as a disadvantage of investment trusts which could discourage investors. Although it is common for an investment trust's shares to trade at a discount, particular events can negatively impact market sentiment. Due to the substantial reduction in the book value of the Company's assets following Russia's invasion of Ukraine the Company's shares have traded at a premium.	The prohibition of trading of securities in Russian companies held in the Company's portfolio which was introduced following Russia's invasion of Ukraine on 24th February 2022 led the Board to suspend its share buy back policy. In addition the Board has withdrawn its commitment to provide a tender offer based on performance of the Company against the RTS benchmark in the five year period to 31st October 2026. In normal market conditions the Board monitors the Company's discount level and seeks, where deemed prudent, to address imbalances in the supply and demand of the Company's shares through a programme of share buybacks. For details of the Company's Continuation Vote, including recent updates, see the Key Features at the front of this document.	→
Investment Under-performance and Strategy	An inappropriate investment strategy, for example asset allocation may lead to underperformance against the Company's reference index and peer companies.	Following Russia's invasion of Ukraine on 24th February 2022, the prohibition of the trading of Russian securities led to the closure of the Russian market to the Company and its peers together with the cessation of reporting of benchmark data by western news companies. The Board managed these unprecedented events by keeping regularly updated regarding compliance with sanctions and ensuring sufficient liquidity in order to maintain a going concern basis. The Board also waived the Company's current investment guidelines to help address the unprecedented market conditions. In normal market conditions, the Board manages these risks by diversification of investments through its investment restrictions and guidelines, which are monitored and reported on by the Manager. The Manager provides the Directors with timely and accurate management information, including performance data and attribution analyses, revenue estimates, liquidity reports and shareholder analyses. The Board monitors the implementation and results of the investment process with the Portfolio Manager, who attends all Board meetings, and reviews data which show statistical measures of the Company's risk profile. Following adoption of the new mandate the Board re-commenced this process for its new investments. The Company amended its investment objective in 2023 to widen its investment to include Emerging Europe, Middle East and Africa. Possible actions that the Board may consider to address underperformance include changing the portfolio manager or selecting another manager.	→

Principal and Emerging Risks

Principal risk	Description	Mitigating activities	Movement from prior year
Investment Management and Performance			
Failure of Investment Process	A failure of process could lead to losses.	The Manager mitigates this risk through internal controls and monitoring. Fraud requires immediate notification to the Board and regular reports are provided on control processes.	→
Loss of Investment Team or Investment Manager	The sudden departure of the Portfolio Manager or several members of the wider investment management team could result in a short term deterioration in investment performance.	The Investment Manager takes steps to reduce the likelihood of such an event by ensuring appropriate succession planning and the adoption of a team based approach, as well as special efforts to retain key personnel. During the period, Pandora Omaset left JPMorgan and will be replaced by Luis Carrillo as a named investment manager to support Oleg Biryulyov. The Board engages privately with the portfolio manager on a regular basis.	→
Market and Financial	The Company's assets consist of listed securities and it is therefore exposed to movements in the prices of individual securities and the market generally. The financial risks faced by the Company include market price risk, interest rate risk, foreign currency risk, liquidity risk and credit risk.	In normal market conditions the Board considers asset allocation and stock selection on a regular basis and has set investment restrictions and guidelines, which are monitored and reported on by the Manager. During the current period of prohibition on the trading of Russian securities, a fair value valuation method involving a 99% provision against the Company's Russian investments is applied. Further details are disclosed in note 20 on pages 82 to 85. The Manager regularly monitors the liquidity of the portfolio including determining the market valuation of securities held, the average daily volume and number of days to liquidate a holding.	→
Operational Risks			
Cyber Crime	Disruption to, or failure of, the Manager's accounting, dealing or payments systems or the Depositary or custodian's records could prevent accurate reporting and monitoring of the Company's financial position. Under the terms of its agreement, the Depositary has strict liability for the loss or misappropriation of assets held in custody. See note 20(c) for further details on the responsibilities of the Depositary.	Details of how the Board monitors the services provided by JPMF and its associates and the key elements designed to provide effective internal control are included within the Risk Management and Internal Control section of the Corporate Governance report on page 49. The threat of Cyber attack is increasing and regarded as having the ability to cause equivalent disruption to the Company's business as more traditional business continuity and security threats. The Company benefits from JPMorgan's Cyber Security Programme. The information technology controls around the physical security of JPMorgan's data centres, security of its networks and security of its trading applications are tested by independent auditors PricewaterhouseCoopers and reported every six months against the Audit and Assurance Faculty (AAF) standard.	→

Principal and Emerging Risks

Principal risk	Description	Mitigating activities	Movement from prior year
Operational Risks			
Counterparty Risk	Local custodian or broker counterparty failure resulting in loss of stock/money. Inability of Custodian to service the Company's assets. In Chairman's statement and recent RNS announcements, the Company has said that if the VTB claim is successful then the Company's sub-custodian may become insolvent and may constitute a Force Majeure event and/or Country risk event, as defined in the contracts that clients have with J.P. Morgan.	The Manager monitors counterparty exposures closely and has set limits according to various criteria (including an assessment of financial stability of counterparty). The Board receives information relating to counterparties. The possibility of the Company's custodian in Russia becoming insolvent and a force majeure scenario arising in respect of the Company's Russian assets is referred to in detail in the Chairman's Statement and in recent RNS announcements. The Board has sought external professional advice where appropriate.	↑
Regulatory Risks			
Board Relationship with Shareholders	The risk that the Company's strategy and performance does not align with shareholders expectations.	The Manager addresses this by the organisation of an email address on the Company's website whereby shareholders can raise questions. Feedback from shareholders is received directly through the email address provided on the Company's website and via brokers which is fed back to the Board regularly.	→
Political and Economic	Changes in financial or tax legislation may adversely affect the Company. In addition, the Company is subject to administrative risks, such as the imposition of restrictions on the free movement of capital. A widening of the capital controls by the Russian Government could negatively impact the Company. The introduction of limitations on the ability of Russian companies to distribute dividends to foreign companies could materially reduce the Company's revenue and amount available for distribution to shareholders. The Company may not be able to trade Russian holdings or find a counter party to trade with. In addition, The Russian Government may change legislation which currently protects 'S' accounts against loss from legal action.	The Manager makes recommendations to the Board on accounting, dividend and tax policies and the Board seeks external advice where appropriate. The Manager closely monitors political, legal and economic developments and reports significant events to the Board either at scheduled meetings or when an event arises. The Board factors in the status of current political and economic developments in its decision making. See above for details of the Board's responses to Russia's invasion of Ukraine including the prohibition on trading and ultimate receipt of dividends from Russian held companies, and successful proposal to widen the Company's investment objective. The Board has sought external professional advice where appropriate.	↑

Principal and Emerging Risks

Principal risk	Description	Mitigating activities	Movement from prior year
Regulatory Risks			
Regulatory and Legal	Breach of regulatory rules, including sanctions could lead to suspension of the Company's Stock Exchange listing, financial penalties, or a qualified audit report. Loss of investment trust status could lead to the Company being subject to tax on capital gains.	The Board has remained informed of the impact of the sanctions and restrictions that followed Russia's invasion of Ukraine on 24th February 2022. Moreover, the Board sought and received FCA approval for the change to the Company's investment objective, which includes investment in Russia. HMRC also confirmed the continuation of the Company's investment trust status. The Board, with the assistance of the Manager, monitors the Company's activities to ensure that they remain compliant with the current sanctions regime including the specific requirements applicable to the Manager as a company subject to the laws of the United States of America and other jurisdictions that it operates in. The Directors seek to comply with all relevant regulation and legislation and rely on the services of the Company Secretary, the Manager, and the Company's professional advisors to monitor compliance with all relevant requirements. The Board and its Committees review the status of the Company's regulatory and legal requirements at regular intervals.	→
Climate Risks			
Climate Change	Climate change, which barely registered with investors a decade ago, has today become one of the most critical issues confronting asset managers and their investors. Investors can no longer ignore the impact that the world's changing climate will have on their portfolios, with the impact of climate change on returns now inevitable.	The Investment Manager's investment process integrates consideration of financially material environmental, social and governance factors into investment decisions. This includes the approach investee companies take to recognising and mitigating climate change risks. The Manager aims to influence the management of climate related risks through engagement and voting and is a participant of Climate Action 100+ and a signatory of the United Nations Principles for Responsible Investment. The Board is also considering the threat posed by the direct impact on climate change on the operations of the Manager and other major service providers. As extreme weather events become more common, the resiliency, business continuity planning and the location strategies of our services providers will come under greater scrutiny.	→

Principal and Emerging Risks

Emerging risk	Description	Mitigating activities	Movement from prior year
Global Crisis	A wide scale economic crisis which could be caused by a number of catastrophic events such a climate change, may cause significant reductions in the valuations of companies in the portfolio.	The Board keeps informed of economic developments and latest ESG requirements through regular updates from the Investment Manager.	→
Global Trade Protectionism	A reduction in global trading arising from increased barriers to trade is a risk to economic growth, to investors' risk appetites and, consequently, to the valuations of companies in the portfolio.	The Portfolio Manager manages the Company's portfolio in light of ongoing current events. The Board can, with shareholder approval, seek to amend the investment policy and objectives of the Company to mitigate the risks.	→
Artificial Intelligence (AI)	Advances in computing power means that AI has become a powerful tool that will impact society, with a wide range of applications that include the potential to harm. While it might equally be deemed a force for good, there appears to be an increasing risk to society from the threat posed by AI.	The Board monitors developments concerning AI as its use evolves and considers how it might threaten the Company's activities, which may include a heightened threat to cybersecurity. The Board works closely with the Manager in identifying these threats and monitors the strategies of our service providers.	→

Long Term Viability

The UK Corporate Governance Code and the AIC Code of Corporate Governance requires the Board to assess the prospects of the Company over a longer period than the 12 months required by the 'Going Concern' provision. The Company's current position and prospects are set out in the Chairman's Report (page 8), the Investment Manager's Report (page 12) and the Strategic Report (page 28). The principal risks and emerging risks are set out on pages 31 to 36.

Taking account of the Company's current position, the principal risks that it faces and their potential impact on its future development and prospects, the Directors have assessed the prospects of the Company, to the extent that they are able to do so, over the next five years. The Directors believe that the Company has no liabilities that cannot be readily met with the necessary actions. They have made that assessment by considering those principal risks, the Company's investment objective and strategy, the liquidity of the Company's portfolio, the investment capabilities of the Investment Manager and the current outlook for the economies and equity markets in which the Company invests.

In addition to the above, the Company carried out stress testing that included modelling significantly reduced market liquidity and considered the impact of stressed revenue. In even the most stressed scenario, the Company was shown to have sufficient cash, or to be able to liquidate a sufficient portion of its listed holdings, in order to meet its liabilities as they fall due.

The assessment has included the impact of Russia's invasion of Ukraine on 24th February 2022, the Israel-Palestine conflict and the potential impact and the mitigation measures which key service providers, including the Manager, have in place to maintain operational resilience. Although the total cost of Russia's invasion of Ukraine and the conflicts in the Middle East are currently hard to predict with any certainty, we do not believe that it calls into question the long term viability of the Company, particularly as the Company widened its investment objective and policies to include Emerging Europe, Middle East & Africa on 23rd November 2022 and has no loan covenants or liabilities that cannot be readily met. The assessment has also taken into account the fact that the Company has a continuation vote at the 2027 Annual General.

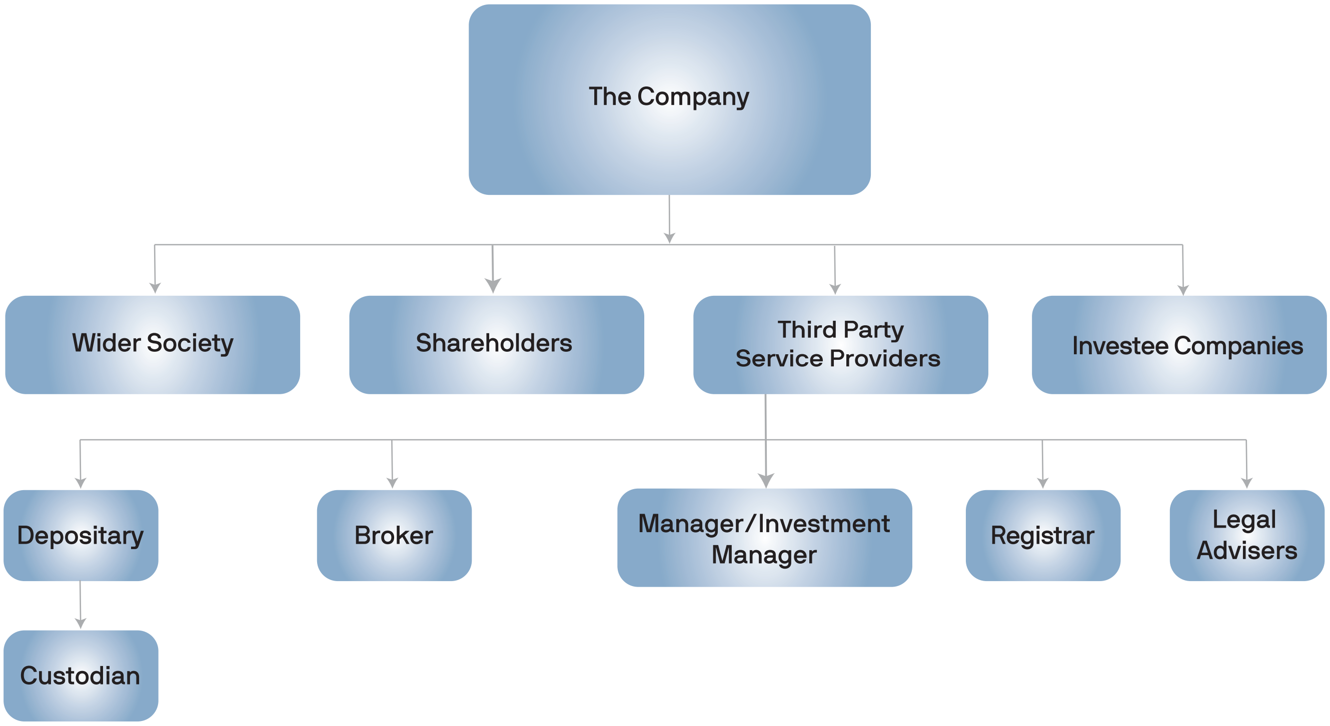
Duty to Promote the Success of the Company

Section 172 of the Companies Act 2006 ('Companies Act') states that: A Director of a company must act in the way that is considered 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 following six items:

The likely consequences of any decision in the long term	In managing the Company, the aim of both the Board and Manager is always to ensure the long-term sustainable success of the Company and, therefore, the likely long-term consequences of any decision are a key consideration. In managing the Company during the year under review, the Board acted in the way which it considered, in good faith, would be most likely to promote the Company's long-term sustainable success and to achieve its wider objectives for the benefit of shareholders as a whole, having had regard to the wider stakeholders and the other matters set out in section 172 of the Companies Act.
The interests of the Company's employees	The Company does not have any employees.
The need to foster the Company's business relationships with suppliers, customers and others	The Board's approach is described under 'Stakeholders' on the next page.
The impact of the Company's operations on the community and the environment	The Board takes a close interest in ESG issues and climate change, sets the overall strategy and regularly reviews the Manager's adherence to their process. However, the integration of financially material ESG factors does not modify the Company's investment objective and the Company does not have an ESG focused investment strategy. The Board has appointed a Manager that, through its Investment Manager, integrates financially material ESG considerations into its investment process. Further details are set out in the ESG report on pages 18 and 19.
The desirability of the Company maintaining a reputation for high standards of business conduct	The Board's approach is described under the Company's Purpose, Values, Strategy and Culture on page 27.
The need to act fairly between members of the Company	The Board's approach is described under 'Stakeholders' on the next page.

The Board's philosophy is that the Company should foster a culture where all parties are treated fairly and with respect and the Board recognises the importance of keeping the interests of the Company's stakeholders, and of acting fairly between them, front of mind in its key decision making.

Duty to Promote the Success of the Company



The Board believes the best interests of the Company are aligned with those of its key stakeholders as all parties wish to see and ultimately benefit from the Company achieving its investment objectives while carrying on business in compliance with the highest possible regulatory, legal, ethical and commercial standards.

The table below sets out details of the Company's engagement with these stakeholders:

Stakeholder Engagement
Shareholder
Continued shareholder engagement is critical to the continued existence of the Company and the successful delivery of its long term strategy. The Board is focused on fostering and maintaining good working relationships with shareholders and understanding the views of shareholders in order to incorporate them into the Board's strategic thinking and objectives, including views on the Company's five yearly continuation vote. Full details on how the Board ensures it is fully appraised of shareholder views and how it engages with all shareholder groups can be found on page 49.
Manager and Investment Manager
Both the Manager and Investment Manager's performance, in particular that of the Portfolio Managers who are responsible for managing the Company's portfolio, is fundamental to the long term success of the Company and its ability to deliver its investment strategy and meet its objective. The Manager also provides administrative support and promotes the Company through its investment trust sales and marketing teams. The Board monitors the Company's investment performance at each Board Meeting in relation to its objective and also to its investment policy and strategy. The Board also maintains strong lines of communication with the Manager via its dedicated company secretary and client director whose interactions extend well beyond the formal business addressed at each Board and Committee meeting. This enables the Board to remain regularly informed of the views of the Manager and the Company's shareholders (and vice versa).
Investee companies
The Board is committed to responsible investing and actively monitors the activities of investee companies through its delegation to the Investment Manager. In order to achieve this, the Investment Manager has discretionary powers to exercise voting rights on behalf of the Company on all resolutions proposed by the investee companies. In normal market conditions the Investment Manager engages with many of its investee companies and votes at the annual general meetings and extraordinary meetings held during the year by the Company's portfolio companies (full details are included in the ESG report on pages 18 and 19). The Board monitors investments made and divested and questions the Investment Manager's rationale for exposures taken and voting decisions made.

Duty to Promote the Success of the Company

Stakeholder Engagement

Other key service providers

The Board ensures that it promotes the success of the Company by engaging specialist third party suppliers, with appropriate capability, performance records, resources and controls in place to deliver the services that the Company requires for support in meeting relevant obligations and safeguarding the Company's assets. For this reason, the Board considers the Company's Custodian, Depositary, Registrar and Broker to be stakeholders. The Board maintains regular contact with its key external service providers, either directly, or via its dedicated company secretary or client director, and receives regular reporting from these providers at Board and Committee meetings. The Management Engagement Committee meets annually to review and appraise its key service providers.

Wider society and the Environment

Strong long term investment performance is essential for an investment trust, the Board recognises that to provide an investment vehicle that is sustainable over the long term, both it and the Manager must have regard to ethical and environmental issues that impact society. Hence financially material environmental, social and governance ('ESG') considerations are integrated into the Manager's investment process and will continue to evolve. Further details of the Manager's integrated approach to ESG can be found on pages 18 and 19.

The Directors confirm that they have considered their duty under Section 172 when making decisions during the financial year under review. Key decisions and actions during the year which have required the Directors to have regard to applicable section 172 and factors include:

Key Decisions and Actions

Monitoring the Company's Portfolio

Russia's invasion of Ukraine on 24th February 2022 and the sanctions and restrictions on trading and receipt of dividends that followed led to the Board's proposal to widen the Company's investment objective and acquire new stocks. In response the Board continues to monitor closely the portfolio as regards the acquisition of stock under the new investment objective, tenders of Russian stocks and also the balance on the 'S' account where dividends paid by Russian companies in the Company's portfolio. The Board have also been closely monitoring the progress of the VTB claim against the Company and the potential impact that this may have on the sub-custodian of the Company's Russian assets and on the Company. The Board has taken professional independent advice where appropriate.

Succession Planning

In normal market conditions, your Directors believe that shareholder interests are best served by ensuring a smooth and orderly succession for the Board which serves to provide both continuity and refreshment whilst ensuring diversity of both background and experience. Russia's invasion of Ukraine on 24th February 2022 and the sanctions and restrictions that followed impacted the composition of the Board. During the period, the Board engaged an independent third party recruitment agency to seek suitable candidates for the role of non-executive director. Following a rigorous selection process Yulia Chekunaeva was appointed on 1st July 2024. See the Board Composition section of the Chairman's Statement on page 10 for further details.

Shareholder Communication

The Company's shareholder profile has changed significantly since Russia's invasion of Ukraine and the Board has endeavoured to keep shareholders informed. As regards the Russian court claim by VTB against a number of JPMorgan entities, and the Company, shareholders have been and will continue to be kept up to date with regular RNS announcements from the Board.

Change of Registrar

As part of review of its key service providers, the Company, through its Manager, undertook a review of Equiniti Limited ('Equiniti'), its Registrar, which has been engaged by the Company for a number of years. After a request to various potential providers for proposals and a thorough due diligence process by the Manager, and after careful consideration, the Board, with effect from 3rd June 2024, moved the Company's registrar services from Equiniti to Computershare Investor Service Plc ('Computershare') as it believed this to be in the best interests of shareholders.

Duty to Promote the Success of the Company

Other Actions that Continue to Promote the Success of the Company

The Directors have kept under review the custodian fee and were pleased that the custodian had agreed to reduce their fee in respect of the Company's Russian assets. Furthermore, throughout the course of the crisis following Russia's invasion of Ukraine the Board has been in regular contact with the Manager, receiving regular updates on the operation effectiveness of the Manager and key service providers and on areas such as portfolio valuation and liquidity, and the premium to NAV at which the Company's shares currently trade.

By order of the Board
Paul Winship, for and on behalf of JPMorgan Funds Limited
Company Secretary

3rd February 2025

Medical services

Board of Directors

Eric Sanderson (Chairman of the Board and Management Engagement Committee)

A Director since 4th January 2021. Appointed as Chairman of the Board on 4th March 2022.

Last appointed to the Board: March 2024.

Mr Sanderson is a highly experienced and well regarded Non-executive Director and Chairman with extensive knowledge of investment trusts. He is a Chartered Accountant and former CEO of British Linen Bank. He is currently Non-executive Chairman of BlackRock Greater Europe Investment Trust plc and Digital 9 Infrastructure plc.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 2,500.

Nicholas Pink (Chairman of the Nomination Committee)

A Director since 1st November 2019.

Last appointed to the Board: March 2024.

Mr Pink has extensive senior management experience in financial services with previous roles at UBS Investment Bank including Global Head of Research, Head of European Research, Head of Asia Research and Head of European Equities. Mr Pink is currently Non-executive Chairman of Baillie Gifford China Growth Trust plc and Ruffer Investment Company Limited.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: 3,000.

Dan Burgess (Chairman of the Audit Committee and Senior Independent Director)

A Director since 4th January 2022.

Last reappointed to the Board: March 2024.

Mr Burgess is a former Chartered Accountant and long serving partner at KPMG with good knowledge of investment trusts and experience of working in Russia. He is currently Non-executive Director and Audit Committee Chairman of The European Smaller Companies Trust plc.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: None.

Yulia Chekunaeva

A Director since 1st July 2024.

Last appointed to the Board: N/A.

Ms Chekunaeva has extensive senior executive experience in the emerging markets industrials sectors at EN+ Group IPJSC London, Goldman Sachs London and Sberbank of Russia, CIB. She was until 2022 a Non-executive Director of NordGold plc.

Connections with Manager: None.

Shared directorships with other Directors: None.

Shareholding in Company: None.

All Directors are members of the Audit Committee, Nomination Committee and Management Engagement Committee.

All Directors are considered independent of the Manager.

Directors' Report

The Directors present their report and the audited financial statements for the year ended 31st October 2024.

Reference to recommended dividend, future developments and acquisition of own shares can be seen in the Strategic Report. Details on financial risk management, exposure to price risk, credit risk, liquidity risk and cash flow risk, subsequent events, Instruments and Future Developments are included in the Financial Reporting section.

Directors

The Directors of the Company who held office at the end of the year are detailed on page 43.

Details of Directors' beneficial shareholdings may be found in the Directors' Remuneration Report on page 57. No changes have been reported to the Directors' shareholdings since the year end.

In accordance with corporate governance best practice, all Directors will retire by rotation at the forthcoming Annual General Meeting and, being eligible, will offer themselves for reappointment, with the exception of Ms Chekunaeva, who will stand for election given this is her first Annual General Meeting since her appointment to the Board and Nicholas Pink who plans to retire from Board on 4th February 2025 for personal reasons. The Nomination Committee, having considered their qualifications, performance and contribution to the Board and its committees, confirms that each continuing Director continues to be effective and demonstrates commitment to the role and the Board recommends to shareholders that they be appointed/reappointed.

Director Indemnification and Insurance

As permitted by the Company's Articles of Association, the Directors have the benefit of a deed of indemnity which is a qualifying third party indemnity, as defined by Section 234 of the Companies Act 2006. The deeds of indemnity were executed on 21st January 2011 and are currently in force.

An insurance policy is maintained by the Company which indemnifies the Directors of the Company against certain liabilities arising in the conduct of their duties. There is no cover against fraudulent or dishonest actions.

Management of the Company

The Manager and Company Secretary to the Company is JPMorgan Funds Limited ('JPMF'). Portfolio Management is delegated to JPMorgan Asset Management UK Limited (JPMAM).

JPMF and JPMAM are wholly-owned subsidiaries of JPMorgan Chase & Co which, through other subsidiaries, also provides accounting, banking, dealing and custodian services to the Company.

The Management Engagement Committee conducts a formal evaluation of the performance of, and contractual relationship with, the Manager on an annual basis. Part of this evaluation includes a consideration of the management fees and whether the service received is value for money for shareholders.

The performance of the Manager, and the Investment Manager, has been thoroughly reviewed in the course of the year. The review covered the performance of the Manager, its management processes, investment style, resources and risk controls and the quality of support that the Company receives from the Manager including the marketing support provided. The Management Engagement Committee and the Board are of the opinion that the continuing appointment of the Manager is in the best interests of shareholders as a whole. Such a review is carried out on an annual basis.

Management Agreement

The current Management Agreement was entered into with effect from 1st July 2014 following implementations of the Alternative Fund Manager Directive. The agreement was updated on 12th October 2023 to reflect regulatory developments. There were no changes to the commercial terms of the agreement.

JPMF is employed under a contract which can be terminated on 90 days' notice, without penalty. The Manager may also terminate the contract on 90 days' notice if in its sole opinion there has been a loss of confidence between the Manager and the Company so as to make the relationship unworkable. If the Company wishes to terminate the contract on less than 90 days' notice, the balance of the 90 days' remuneration is payable by way of compensation.

The Manager is remunerated at a rate of 0.9% per annum of the Company's net assets, payable monthly in arrears. The management fee has not been charged on the Company's Russian holdings since 1st March 2022, following Russia's invasion of Ukraine and the write down of the Company's Russian assets.

Investments on which the Manager earns a separate management fee are excluded from the Company's net assets for the purpose of calculating the management fee. No performance fee is payable.

The Alternative Investment Fund Managers Directive ('AIFMD')

JPMorgan Funds Limited ('JPMF'), an affiliate of JPMorgan Asset Management UK Limited ('JPMAM'), has been appointed as the Company's alternative investment fund manager ('AIFM'). JPMF has been approved as an AIFM by the Financial Conduct Authority ('FCA'). For the purposes of the AIFMD the Company is an alternative investment fund ('AIF').

JPMF has delegated responsibility for the day to day management of the Company's portfolio to JPMAM. JPMF is

Directors' Report

required to ensure that a depositary is appointed to the Company. The Company therefore has appointed Bank of New York Mellon (International) Limited ('BNY') as its depositary. BNY has delegated its safekeeping function to the custodian, JPMorgan Chase Bank, N.A., however, BNY remains responsible for the oversight of the custody of the Company's assets and for monitoring its cash flows.

The AIFMD requires certain information to be made available to investors in AIFs before they invest and requires that material changes to this information be disclosed in the annual report of each AIF. Investor Disclosure Documents, which set out information on the Company's investment strategy and policies, leverage, risk, liquidity, administration, management, fees, conflicts of interest and other shareholder information are available on the Company's website at www.jpmeemeasecurities.com

There have been no material changes (other than those reflected in these financial statements) to this information requiring disclosure. Any information requiring immediate disclosure pursuant to the AIFMD will be disclosed to the London Stock Exchange through a primary information provider. As an authorised AIFM, JPMF will make the requisite disclosures on remuneration levels and policies to the FCA at the appropriate time.

Total Return, Revenue and Dividend

Gross total return for the year totalled £3,413,000 (2023: Gross total return £628,000). Net total return after deducting management fee, administrative expenses, and taxation, amounted to £2,531,000 (2023: Net total loss £8,000). Net revenue return after taxation for the year amounted to £225,000 (2023: £306,000).

Disclosure of information to the Auditor

In the case of each of the persons who are Directors of the Company at the time when this report was approved:

(a) so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act) of which the Company's Auditor is unaware, and

(b) each of the Directors has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

The above confirmation is given and should be interpreted in accordance with the provision of Section 418(2) of the Companies Act 2006.

Independent Auditor

BDO LLP has expressed their willingness to continue in office as auditor to the Company, and resolutions proposing their reappointment and authorising the Directors to determine their remuneration for the ensuing year will be put to shareholders at the Annual General Meeting.

Section 992 Companies Act 2006

The following disclosures are made in accordance with Section 992 Companies Act 2006.

Capital Structure

The Company's capital structure is summarised on the inside front cover of this report.

Voting Rights in the Company's shares

Details of the voting rights in the Company's shares as at the date of this report are given in note 17 to the Notice of Annual General Meeting on page 91.

Notifiable Interests in the Company's Voting Rights

At the year end the following had declared a notifiable interest in the Company's voting rights:

Shareholders	Number of voting rights	%
City of London Investment Management Company	4,810,561	11.90

Since the year end and as at the date of this report, the Company has been notified of the following interests in the Company's voting rights:

Shareholders	Number of voting rights	%
Whitefort Capital Management	4,952,592	12.25%
City of London Investment Management Company	3,468,761	8.58%

Miscellaneous Information

The rules concerning the appointment and replacement of Directors, amendment of the Articles of Association and powers to issue or buy back the Company's shares are contained in the Articles of Association of the Company and the Companies Act 2006.

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; no agreements which the Company is party to that affect its control following a takeover bid; and no agreements between the Company and its Directors concerning compensation for loss of office.

Listing Rule 6.6.4

Listing Rule 6.6.4 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross reference table indicating where the information is set out. The Directors confirm that there are no disclosures to be made in this regard.

Corporate Governance Statement

Annual General Meeting

NOTE: THIS SECTION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you should seek your own personal financial advice from your stockbroker, bank manager, solicitor or other financial adviser authorised under the Financial Services and Markets Act 2000.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting:

(i) Authority to allot relevant securities and disapply pre-emption rights (resolutions 9 & 10)

The Directors will seek renewal of the authority to issue up to 2,021,809 new shares or shares held in Treasury other than by a pro rata issue to existing shareholders up to an aggregate nominal amount of £20,218, such amount being equivalent to approximately 5% of the current issued share capital. The full text of the resolutions is set out in the Notice of Meeting on pages 88 to 91.

It is advantageous for the Company to be able to issue new shares to investors when the Directors consider that it is in the best interest of shareholders to do so. Any such issues would only be made at prices greater than the NAV.

(ii) Authority to repurchase the Company's shares for cancellation (resolution 11)

The authority to repurchase up to 14.99% of the Company's issued share capital, granted by shareholders at the 2024 Annual General Meeting, will expire on 7th March 2025 unless renewed at the 2025 Annual General Meeting. The Directors consider that the renewal of the authority is in the interests of shareholders as a whole, as the repurchase of shares at a discount to the underlying NAV enhances the NAV of the remaining shares.

The full text of the resolution is set out in the Notice of Annual General Meeting on pages 88 to 91. Repurchases will be made at the discretion of the Board and will only be made in the market at prices below the prevailing NAV per share as and when market conditions are appropriate.

Recommendation

The Board considers that resolutions 9 to 11 are likely to promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. The Directors unanimously recommend that you vote in favour of the resolutions as they intend to do in respect of their own beneficial holdings which amount in aggregate to 2,500 shares representing approximately 0.01% of the voting rights in the Company.

Corporate Governance

Compliance

The Board is committed to high standards of corporate governance. It has considered the principles and provisions of the AIC Code of Corporate Governance published in 2019 (the 'AIC Code'), which addresses the principles and provisions set out in the UK Corporate Governance Code (the 'UK Code') published in 2018, as they apply to investment trust companies. It considers that reporting against the AIC Code, therefore, provides more appropriate information to the Company's shareholders. Except where not practicable to undertake due to the crisis following Russia's invasion of Ukraine on 24th February 2022, the Board confirms that the Company has complied with the principles and provisions of the AIC Code, in so far as they apply to the Company's business, throughout the year under review. The latest disclosures required under the AIC Code have been added to this Report. As all of the Company's day-to-day management and administrative functions are outsourced to third parties, it has no executive directors, employees or internal operations and therefore has not reported in respect of the following:

— Role of the CEO, as the Company does not appoint a CEO;

— Executive Director remuneration as the Company does not appoint executive directors;

— The workforce, as the Company has no employees;

— Internal audit function as the Company relies on the internal audit department of the Manager;

— Establishment of a separate Remuneration Committee, as this role is undertaken by the Nomination Committee chaired by a Director of the Company who is not the Chairman of the board.

Copies of the UK Code and the AIC Code may be found on the respective organisations' websites: www.frc.org.uk and www.theaic.co.uk.

In January 2024, the Financial Reporting Council ('FRC') updated the UK Code. This new UK Code will apply to financial years beginning on or after 1st January 2025. In August 2024, the AIC updated the AIC Corporate Governance Code (the '2024 AIC Code'), which incorporates changes to the UK Code by the FRC in January 2024. The 2024 AIC Code applies to accounting periods beginning on or after 1st January 2025, with the exception of new Provision 34. Provision 34 is applicable for accounting periods beginning on or after 1st January 2026.

The Company will be reporting against the new 2024 AIC Code for its financial year ending 31st October 2027.

Corporate Governance Statement

Role of the Board

A management agreement between the Company and JPMorgan Funds Limited ('JPMF') (the Manager), sets out the matters over which the Manager has authority. This includes management of the Company's assets and the provision of accounting, company secretarial, administration, and some marketing services. All other matters are reserved for the approval of the Board. A formal schedule of matters reserved to the Board for decision has previously been approved. This includes determination and monitoring of the Company's investment objectives and policy and its future strategic direction, gearing policy, management of the capital structure, appointment and removal of third party service providers, review of key investment and financial data and the Company's corporate governance and risk control arrangements. The formal evaluation of the Manager is carried out by the Management Engagement Committee every year.

At each Board meeting, Directors' interests are considered, including the time available to fulfil their duties. These are reviewed carefully, taking into account the circumstances surrounding them, and, if considered appropriate, are approved. It was resolved that there were no actual or indirect interests or other time commitments of a Director which conflicted with the interests of the Company, which arose during the year.

Following the introduction of The Bribery Act 2010, the Board has adopted appropriate procedures designed to prevent bribery. It confirms that the procedures have operated effectively during the year under review.

The Board meets at least quarterly during the year and additional meetings are arranged as necessary. Full and timely information is provided to the Board to enable it to function effectively and to allow Directors to discharge their responsibilities.

There is an agreed procedure for Directors to take independent professional advice if necessary and at the Company's expense. This is in addition to the access that every Director has to the advice and services of the Company Secretary, JPMF, which is responsible to the Board for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with.

Board Composition

At the end of the reporting period, the Board consisted of four Non-executive Directors, all of whom are regarded by the Board as independent. The Chairman's independence was confirmed upon the decision to appoint him and is undertaken annually thereafter. The Directors have a breadth of investment knowledge, business and financial skills and experience relevant to the Company's business and brief biographical details of each Director are set out on page 43.

The Nomination Committee led the search for a new director, with assistance from independent firm Fletcher Jones. Yulia Chekunaeva joined the Board on 1st July 2024.

The terms and conditions of Directors' appointments are set out in formal letters of appointment, copies of which are available for inspection on request at the Company's registered office and at the AGM. A schedule of interests for each Director is maintained by the Company and reviewed at every Board meeting. New interests are considered carefully, taking into account the circumstances surrounding them and, if considered appropriate, are approved.

A review of Board composition and balance is included as part of the annual performance evaluation of the Board, details of which may be found below.

Senior Independent Director

The Senior Independent Director, Dan Burgess, leads the evaluation of the performance of the Chairman and is available to shareholders if they have concerns that cannot be resolved through discussion with the Chairman. In order to reflect the additional responsibilities of the role, the Board approved the payment of an annual fee of £1,000 to the Senior Independent Director effective from 1st November 2024.

Reappointment of Directors

The Directors of the Company and their brief biographical details are set out on page 43. The skills and experience that each Director brings to the Board, and hence why their contributions are important to the long term success of the Company, are summarised in the biographical details referred to above. All of the Directors held office throughout the year under review except Yulia Chekunaeva who was appointed on 1st July 2024. The length of appointment detailed below is calculated to the month of the Company's AGM in March 2025.

Resolution 4 is for the reappointment of Eric Sanderson. He joined the Board in January 2021 and has served for four year and two months as a Director and was appointed as Chairman following the AGM on 4th March 2022.

Resolution 5 is for the reappointment of Dan Burgess. He joined the Board in January 2022 and has served for three years and two months as a Director.

Resolution 6 is for the appointment of Yulia Chekunaeva. She joined the Board in July 2024 and has served eight months as a Director.

The Board confirms that each of the Directors standing for appointment/reappointment at the forthcoming AGM continue to contribute effectively and recommends that shareholders vote in favour of their appointment.

Corporate Governance Statement

Tenure

Directors are initially appointed until the following AGM when, under the Company's Articles of Association, it is required that they be reappointed by shareholders. Subject to the performance evaluation carried out each year, the Board will agree whether it is appropriate for Directors to seek reappointment. The Board has adopted corporate governance best practice such that all Directors must stand for annual reappointment.

The Board is also of the view that length of service will not necessarily compromise the independence or contribution of directors of an investment trust company or, indeed, its chair. Continuity and experience can add significantly to the strength of the board especially in times of market turbulence. The Board has noted the inference of provisions in the UK Corporate Governance Code that non-executive directors who have served for more than nine years should be presumed not to be independent. However, the AIC does not believe that this presumption is necessarily appropriate for investment companies and therefore does not recommend that long-serving directors be prevented from forming part of an investment trust board. However, in normal circumstances the Chair and Directors are expected to serve for a nine-year term, but this may be adjusted for reasons of continuity and orderly succession.

The table below details the tenure of Directors who are standing for appointment/reappointment at the forthcoming AGM and projected forward to 2033. The average tenure of the directors is less than five years.

Director	Appointment Date	2025 AGM	2026 AGM	2027 AGM	2028 AGM	2029 AGM	2030 AGM	2031 AGM	2032 AGM	2033 AGM
Eric Sanderson	04/01/2021							n/a		
Dan Burgess	04/01/2022									
Yulia Chekunaeva	01/07/2024									

Key – tenure
● 0-6 years ● 7-9 years

The Nomination Committee, having considered their qualifications, performance and contribution to the Board and its Committees, confirms that Mr Sanderson, Mr Burgess and Ms Chekunaeva continue to be effective and demonstrate commitment to the role.

The terms and conditions of Directors' appointments are set out in formal letters of appointment, copies of which are available for inspection on request at the Company's registered office and at the Annual General Meeting.

A schedule of interests for each Director is maintained by the Company and reviewed at every Board meeting. New interests are considered carefully, taking into account the circumstances surrounding them and, if considered appropriate, are approved.

A list of potential conflicts of interest for each Director is maintained by the Company. These are considered carefully, taking into account the circumstances surrounding them, and, if considered appropriate, are approved. There were no actual or indirect interests of a Director which conflicted with the interests of the Company during the year.

Meetings and Committees

The Board delegates certain responsibilities and functions to committees. Details of membership of committees are shown with the Directors' profiles on page 43.

The table to the right of this text, details the number of scheduled Board, Audit, Nomination and Management Engagement Committee meetings attended by each Director. During the year there were five Board meetings, two Audit Committee meetings, one Nomination Committee and one Management Engagement Committee meeting.

The table below does not include occasional ad-hoc meetings held throughout the year, which tend to be brief and relate to routine matters.

Director	Board Meetings Attended	Audit Committee Meetings Attended	Nomination Committee Meetings Attended	Management Engagement Committee Meetings Attended
Eric Sanderson	5/5	2/2	1/1	1/1
Nicholas Pink	5/5	2/2	1/1	1/1
Dan Burgess	5/5	2/2	1/1	1/1
Yulia Chekunaeva[1]	1/1	0/0	1/1	1/1

[1] Appointed on 1st July 2024.

Induction and Training

On appointment, the Manager and Company Secretary provide all Directors with induction training. Thereafter regular briefings are provided on changes in regulatory requirements that affect the Company and the Directors. Directors are encouraged to attend industry and other seminars covering issues and developments relevant to investment trusts. Regular reviews of the Directors' training needs are carried out by the Chairman, and of the Board chairman by the Nomination Committee Chairman by means of the evaluation process detailed below.

Board Committees

Nomination Committee

The Nomination Committee, chaired by Nicholas Pink, consists of all Directors and meets at least annually to ensure that the Board has the balance of skills and experience to carry out its fiduciary duties and to select and propose suitable candidates, for appointment when necessary. The appointment process takes account of the benefits of diversity, including gender and ethnicity. A variety of sources, including the use of independent external recruitment consultants, may be used to ensure that a wide range of candidates is considered.

The Board's policy on diversity, including gender and ethnicity, is to take account of the benefits of these during the appointment process. However, the Board remains committed to appointing the most appropriate candidate, regardless of gender or other forms of diversity. Therefore, no targets have been set against which to report. See the section on Board Diversity on page 29 for further details regarding the most recent director appointment. Now that the Company's revenue generation has stabilised following Russia's invasion of Ukraine, the Board appointed Yulia Chekunaeva as a non-executive director on 1st July 2024, as detailed in the Chairman's Statement.

The Committee conducts an annual performance evaluation of the Board, its committees and individual Directors to ensure that all Directors and the Chairman have devoted sufficient time and contributed adequately to the work of the Board and its Committees. The evaluation of the Board considers the balance of experience, skills, independence, corporate knowledge, its diversity, including gender, and how it works together. This year questionnaires were completed by the Directors and the Chairman. The evaluation of the Directors; Chairman of the Audit Committee and Chairman of the Board was led by the Chairman of the Nomination Committee. The Committee also reviewed Directors' fees and made recommendations to the Board as required. Triennially the Nomination Committee will consider the appointment of an externally facilitated board evaluation process, as referred to in the AIC Code. The subject was considered in 2024 and the Committee agreed that was not appropriate to undertake an external review as an internal review was considered sufficient and consistent with aim for as competitive costs as possible given small size of the Company.

Audit Committee

The report of the Audit Committee is set out on pages 52 to 54.

The Management Engagement Committee

The membership of the Management Engagement Committee consists of all the independent Directors and is chaired by Eric Sanderson. The Committee meets at least once a year to review the terms of the management agreement between the Company and the Manager, to review the performance of the Manager and fees, to review the notice period that the Board has with the Manager and to make recommendations to the Board on the continued appointment of the Manager following these reviews. During the year, the investment management fee was reviewed. The key service providers of the Company are also reviewed. During the period, following a thorough review, the Company's registrar services were transferred from Equiniti to Computershare, with effect from 3rd June 2024. Further information is set out on page 40.

Terms of Reference

Each Committee has written terms of reference which define clearly their respective responsibilities, copies of which are available for inspection on request at the Company's registered office, on the Company's website and at the Annual General Meeting.

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company. It aims to provide shareholders with a full understanding of the Company's activities and performance and reports formally to shareholders twice each year by way of the annual report and financial statements, and half year report. This is supplemented by the daily publication, through the London Stock Exchange, of the net asset value of the Company's shares, the weekly publication of the Company's level of gearing and the monthly publication of a Company factsheet. Shareholders can also register to receive regular electronic updates about the Company.

The Company's broker, portfolio managers and the Manager have regular discussions with larger shareholders. The Chairman and Directors make themselves available as and when required to address shareholder queries. The Directors may be contacted through the Company Secretary whose details are shown on page 97.

All shareholders are encouraged to attend the Company's Annual General Meeting at which the Directors and representatives of the Manager are available in person to meet shareholders and answer their questions. In addition, a presentation is given by the Portfolio Manager who reviews the Company's performance.

The Company's Annual Report and Financial Statements is published in time to give shareholders at least 20 working days' notice of the Annual General Meeting. Shareholders wishing to raise questions in advance of the meeting are encouraged to write to the Company Secretary at the address shown on page 97. A formal process is in place for all letters to the Chairman or other Directors to be forwarded immediately. As part of this process, any feedback from shareholders is also communicated to the Board.

Details of the proxy voting on each resolution will be published on the Company website shortly after the Annual General Meeting.

Risk Management and Internal Controls

The AIC Code requires the Directors, at least annually, to review the effectiveness of the Company's system of internal control and to report to shareholders that they have done so. This encompasses a review of all controls, which the Board has identified as including business, financial, operational, compliance and risk management.

The Directors are responsible for the Company's system of internal control which is designed to safeguard the Company's assets, maintain proper accounting records and ensure that financial information used within the business, or published, is reliable. However, such a system can only be designed to manage rather than eliminate the risk of failure to achieve business objectives and therefore can only provide reasonable, but not absolute, assurance against fraud, material mis-statement or loss.

Corporate Governance Statement

Since investment management, custody of assets and all administrative services are provided to the Company by the Manager and its associates, the Company's system of internal control mainly comprises monitoring the services provided by the Manager and its associates, including the operating controls established by them, to ensure they meet the Company's business objectives. There is an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. See page 31 Principal Risks. This process has been in place for the year under review and up to the date of the approval of the Annual Report and Financial Statements. Given the foregoing, and in common with most investment trust companies, the Company does not have an internal audit function of its own. The Manager's internal audit department conducts regular and rigorous reviews of the various functions within its asset management business. Any significant findings that are relevant to the Company and/or the Manager's investment trust business are reported to the Board. The key elements designed to provide effective internal control are as follows:

- **Financial Reporting**

  Regular and comprehensive review by the Board of key investment and financial data, including management accounts, revenue projections, analysis of transactions and performance comparisons.

- **Management Agreement**

  Appointment of a manager, depositary and custodian regulated by the Financial Conduct Authority (FCA), whose responsibilities are clearly defined in a written agreement.

- **Manager's Systems**

  The Manager's system of internal control includes organisational agreements which clearly define the lines of responsibility, delegated authority, control procedures and systems. These are monitored by the Manager's compliance department which regularly monitors compliance with FCA rules and reports to the Board.

- **Investment Strategy**

  Authorisation and monitoring of the Company's investment strategy and exposure limits by the Board.

  The Board, either directly or through the Audit Committee, keeps under review the effectiveness of the Company's system of internal control by monitoring the operation of the key operating controls of the Manager and its associates as follows:

  – the Board, through the Management Engagement Committee, reviews the terms of the management agreement and receives regular reports from the Manager's compliance department;

  – Reviews the reports on the risk management and internal controls and the operations of its custodian JPMorgan Chase Bank, which are themselves independently reviewed; the Board reviews every six months a report from the Company's Depositary, Bank of New York Mellon (International) Limited ('BNYM'), which summarises the activities performed by the Depositary during the reporting period; and

  – The Board reviews every six months the independent reports on the internal controls and the operations of the Manager.

Through the procedures set out above, the Board confirms that it has reviewed the effectiveness of the Company's system of internal control for the year ended 31st October 2024, and to the date of approval of this Annual Report and Financial Statements. Moreover, the controls accord with the Financial Reporting Council, Guidance on Risk Management, internal control and related Financial and Business Reporting.

During the course of its reviews of the system of internal control, the Board has not identified, nor been advised of any failings or weaknesses which it has determined to be significant. Therefore, a confirmation in respect of necessary actions has not been considered appropriate.

Corporate Governance and Voting Policy

Although disrupted by Russia's invasion of Ukraine and the subsequent closure of the Russian market to western investors, the Company delegates responsibility for voting to the Manager. Except where required to avoid mandatory obligations, the Company ceased voting its shares in Russian held companies following the invasion. The following is a summary of the Investment Manager's policy statements on corporate governance and voting policy which has been reviewed and noted by the Board and will apply as far as permissible given the sanctions in place since Russia's invasion of Ukraine in February 2022.

Corporate Governance

We believe that there is a strong positive correlation between high governance standards and superior shareholder returns. Governance is about ensuring the quality of the decision-making process, which can determine the success and failure of the company. Effective corporate governance features transparency, accountability, oversight and respect for shareholders. We evaluate governance starting with the board composition, structure and performance, looking for independence, relevant skillsets and board dynamics. Importantly, it is the mandate of the board to oversee whether the corporate strategy is aligned with the purpose and value of the company. The board oversees management's execution against the company's capital, liquidity, strategic and financial operating plans in achieving its set objectives. Capital allocation issues are judged in terms of alignment with long-term strategy and value creation at the applicable company. Boards are also responsible for overseeing the management of financially material environmental and social matters, which could affect the longevity of the company.

Stewardship/Engagement

Engaging investee companies in dialogue and encouraging sound environmental, social and governance (ESG) practices is an important component of how we deliver our investment stewardship strategy. Our engagement is based on our in-depth investment research on companies, alongside our assessment of macroeconomic drivers, sector-specific factors and financially material ESG themes. This research insight enables us to act proactively and encourage investee companies to acknowledge issues and improve practices before risks are realised and opportunities are missed. This is how we seek to drive impact in our investment stewardship activity and advocate for sound practices at our investee companies. We believe this will ultimately preserve and enhance asset value.

Our engagement model is built on an investor-led, expert-driven approach and leverages the knowledge of more than 1,000 investment professionals around the world, working in close collaboration with investment stewardship specialists. Our engagement process benefits from the longstanding relationships our investment teams have with local investee companies, through regular interactions with board directors and chairs, senior executives, and CEOs. We believe this collaborative, well-resourced approach enables us to recognise significant risks early and identify new opportunities, supporting our goal of generating attractive risk-adjusted returns. Combining our ESG research capability with the experience and skill of our investment teams and the expertise of our investment stewardship specialists gives us a deep understanding of the risks and opportunities facing different sectors, industries, and geographies. By integrating this expertise into a global common platform, we seek to maintain a consistently high standard of engagement, considering the myriad of nuances a responsible investor needs to embrace.

We have identified six Investment Stewardship Priorities that we believe can be broadly applied in our engagement efforts and will remain relevant through market cycles. These priorities address the ESG issues that pose the most significant long-term material financial risks to our investments, while also presenting the greatest opportunities. Engaging on these topics is therefore important to delivering value to our clients

- *governance;*
- *strategy alignment with the long term;*
- *human capital management;*
- *natural capital and ecosystems;*
- *stakeholder engagement; and*
- *climate risk.*

Within each priority area, we have identified related sub-themes that we are seeking to address over a shorter timeframe (18-24 months). These subthemes will evolve, over time, as we engage with investee companies to understand issues and promote best practices. This combination of priorities and evolving themes provides a structured and targeted framework for engagement for our investors and Investment Stewardship team globally.

Proxy Voting

We vote shares held in our clients' portfolios in a prudent and diligent manner, based on our reasonable judgement of what will best serve the long-term interests of our clients. To help ensure that proxies are voted in the best interests of clients, J.P. Morgan Asset Management has adopted detailed, regional, proxy voting guidelines that incorporate comprehensive guidelines for voting proxies on specific types of issues, and these are publicly available on our websites. We aim to keep abstentions to a minimum. In certain instances, however, it may be in a client's best interests to intentionally refrain from voting.

JPMAM's Voting Policy and Corporate Governance Guidelines are available on request from the Company Secretary or can be downloaded from JPMAM's website:
https://am.jpmorgan.com/content/dam/jpm-am-aem/global/en/institutional/communications/lux-communication/corporate-governance-principles-and-voting-guidelines.pdf

By order of the Board
Paul Winship, ACIS for and on behalf of
JPMorgan Funds Limited,
Secretary

3rd February 2025

Audit Committee Report

Composition and Role

The Audit Committee, chaired by Dan Burgess, consists of all the Directors, and meets at least twice each year. The members of the Audit Committee consider that the Audit Committee comprises of directors who as a whole are competent in the Company's sector and has at least one member who is competent in auditing and accounting. Ongoing evaluation is undertaken as detailed previously in order to identify any performance issues.

The Committee reviews the actions and judgements of the Manager in relation to the half year and annual report and financial statements and the Company's compliance with the AIC Code. It examines the effectiveness of the Company's internal control systems. It monitors the Company's key risks and controls relating to those risks. It receives controls reports on the Manager and the custodian and monitors the controls and service levels at the Company's other key third party suppliers.

It also receives information from the Manager's Compliance department and reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external Auditor. The Audit Committee has reviewed the independence and objectivity of the Auditor and is satisfied that the Auditor is independent. At the request of the Board, the Audit Committee provides confirmation to the Board as to how it has discharged its responsibilities.

Going Concern

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Directors have considered the Company's investment objective (see page 27), risk management policies (see pages 80 to 85), capital management (see note 21), the nature of the portfolio and expenditure projections. The Directors have also taken into account the continued market volatility and economic uncertainty resulting from ongoing geopolitical tensions and conflicts, including the war in Ukraine and the conflicts in the Middle East, on the revenue expected from underlying investments. The Company's assets outside of Russia, all of which are investments in quoted securities which are readily realisable, exceed its liabilities under all stress test scenarios reviewed by the Board. The Board further reviews the impact of market factors, structural and financial factors and operating factors. The Company's key third party suppliers, including its Manager, are not experiencing any operational difficulties to adversely affect their services to the Company.

The Directors believe that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence to 31st January 2026, being at least 12 months from approving this annual report and financial statements. 12 months is considered an appropriate period because that mirrors the financial reporting cycle and frequency of the external audit of the Company.

For these reasons, the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the accounts. The Directors considered the current political environment in Russia and the impact of sanctions. Considerations also included the effects of Russia's invasion of Ukraine and the closure of the Russian market that followed and the new investment objective.

The Audit Committee assesses the Company's ability to continue as a going concern to 31st January 2026 and makes recommendations to the Board to approve the going concern concept for preparation of the Financial Statements. See also Long Term Viability Statement on page 37.

A resolution that the Company continue as an investment trust will be put to shareholders at the Annual General Meeting in 2027 and every five years thereafter.

Financial Statements and Significant Accounting Matters

During its review of the Company's financial statements for the year ended 31st October 2024, the Audit Committee considered the following significant issues, in particular those communicated by the Auditors during their reporting:

Significant issue	How the issue was addressed
Valuation existence and ownership of investments	The valuation of investments is undertaken in accordance with the accounting policies, disclosed in note 1(b) to the Financial Statements on page 71. Since Russia's invasion of Ukraine in response to the prohibition of trading in Russian securities that followed, the Company has applied a fair value valuation method to its Russian held securities. The audit includes the determination of the valuation, existence and ownership of the investments. Controls are in place to ensure valuations are appropriate and existence is verified through the Depositary Report and custodian reconciliations. The Board monitors the controls in place.
Political Risks including current sanctions and possible capital controls	The Board was unable to control external events such as Russia's invasion of Ukraine on 24th February 2022. However, the Board together with the Manager monitors the sanctions regime closely to ensure that the Company's business operates within its requirements. In addition the Board monitors the political situation and its impact on the portfolio at frequent intervals and whenever a major event arises. Together with the input from the Investment Manager, efforts are made to manage exposure to certain sectors deemed to be more susceptible to political influences.

Audit Committee Report

Significant issue	How the issue was addressed
Market risk	The Board was unable to control external events such as Russia's invasion of Ukraine on 24th February 2022. The Board considers asset allocation, stock selection and liquidity of the portfolio on a regular basis and has set investment restrictions and guidelines, which are managed in light of the current market disruption caused by Russia's invasion of Ukraine on 24th February 2022.
Recognition of investment income	The recognition of investment income is undertaken in accordance with accounting note 1(d) to the accounts on page 72. The Board regularly reviews details of dividend income recognised. Since Russia's invasion of Ukraine on 24th February 2022, access by the Company to dividends received from Russian companies has been prohibited.
Compliance with Sections 1158 and 1159	Approval for the Company as an investment trust under Sections 1158 and 1159 has been obtained and ongoing compliance with the eligibility criteria is monitored on a regular basis by the Manager on behalf of the Board.
Russia's invasion of Ukraine and geopolitical tensions including the Israel-Palestine conflict	The Audit Committee has reviewed the appropriateness of the adoption of the Going Concern basis in preparing the accounts, particularly in view of the impact of Russia's invasion of Ukraine and geopolitical tensions and update of the Company's investment mandate. The Audit Committee recommended to the Board that the adoption of the Going Concern basis is appropriate (see Going Concern statement on page 52).

The Board was made fully aware of any significant financial reporting issues and judgements made in connection with the preparation of the financial statements.

Allocation of Expenses between Income and Capital

The allocation of expenses between income and capital is 60% capital and 40% to revenue. The Committee will reconsider the allocation periodically.

Risk Management and Internal Control

The Committee examines the effectiveness of the Company's internal control systems, receives information from the Manager's Compliance department and also reviews the scope and results of the external audit, its cost effectiveness and the independence and objectivity of the external Auditor.

The Directors have a robust process for identifying, evaluating and managing the significant risks faced by the Company, which are recorded in a risk matrix. The Committee, on behalf of the Board, considers each key risk as well as reviewing the mitigating controls in place. Each risk is rated for its likelihood of occurrence and its potential impact, how these risks are monitored and mitigating controls in place. The Board has delegated to the Committee the responsibility for the review and maintenance of the risk matrix.

The Directors' statement on the Company's system of internal control is set out on pages 49 and 50.

Auditor Appointment and Tenure

BDO LLP was appointed as Auditor to the Company in November 2020. The current audit fee is £48,300 (2023: £43,600). The increase in the audit fee was due to inflation and also a one-time cost of £3,000 for a system change rolled out by JPMorgan which necessitated additional audit efforts on BDO's part to update system controls. The Committee also recognises there have been changes in audit requirements in recent years and further changes are anticipated. It accepts that increases in audit fees in the sector are inevitable. Having reviewed the performance of the external Auditor, including assessing the quality of work, proposed fee, timing of communications and work with the Manager, the Committee considered it appropriate to recommend their reappointment. The Board supported this recommendation which will be put to shareholders at the forthcoming Annual General Meeting.

The Board reviews and approves any non-audit services provided by the independent auditor and assesses the impact of any non audit work on the ability of the auditor to remain independent. Details of the Auditor's fees paid are disclosed in note 6 on page 74. There were no non-audit fees incurred during the year.

The current audit firm BDO was appointed following a tender for audit services in November 2020. The Company's year ended 31st October 2025 will be the fifth year for audit partner Vanessa Bradley. A new audit partner will be introduced following the 2025 audit.

BDO LLP was appointed at the AGM in 2020 following an audit tender. In accordance with requirements relating to the appointment of Auditor, the Company will conduct a competitive audit tender no later than in respect of the financial year ending 31st October 2031.

In July 2024 the FRC published its annual assessment of quality among the Tier 11 audit firms. Our external auditor, BDO is one of the six Tier 11 audit firms, and was therefore subject to a review by the Financial Reporting Council's Audit Quality Review team. The FRC's report identified a number of areas for improvement for BDO, and in response to these findings, BDO has implemented an action plan.

Audit Committee Report

The Audit Committee discussed the FRC's findings along with BDO's action plan in detail with BDO. BDO have confirmed that they remain committed to maintaining the highest standards of audit quality and will continue to work closely with the FRC to address any areas of concern. Note 6 on page 74 details the Auditor's fees.

Fair Balanced and Understandable

Having taken all available information into consideration and having discussed the content of the annual report and financial statements with the Alternative Investment Fund Manager (JPMF), Investment Manager, Company Secretary and other third party service providers, the Audit Committee has concluded that the Annual Report for the year ended 31st October 2024, 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, and has reported on these findings to the Board. The Board's conclusions in this respect are set out in the Statement of Directors' Responsibilities on page 60.

By order of the Board
Paul Winship, ACIS for and on behalf of
JPMorgan Funds Limited,
Secretary

3rd February 2025

Emaar - Dubai

Directors' Remuneration Report

The Board has prepared this Report in accordance with the requirements of Section 421 of the Companies Act 2006 as amended.

Directors' Remuneration Policy

The Directors' Remuneration Policy is subject to a triennial binding vote. The shareholders approved the resolution in favour of the Company's Directors' Remuneration Policy at the 2024 Annual General Meeting. Therefore, an ordinary resolution to approve this policy will be put to shareholders at the 2027 Annual General Meeting. The policy subject to the vote, is set out in full below and is currently in force.

At the Annual General Meeting held on 4th March 2024, of votes cast, 97.55% of votes cast were in favour of (or granted discretion to the Chairman who voted in favour of) the remuneration policy and 2.45% voted against.

Details of voting on the Directors' Remuneration Policy will be provided in the Company's annual report triennially.

The Board's policy for this, and subsequent years, is that Directors' fees should properly reflect the time spent by the Directors on the Company's business and should be at a level to ensure that candidates of a high calibre are recruited to the Board. The Chairman of the Board and the Chairman of the Audit Committee are paid higher fees than other Directors, reflecting the greater time commitment involved in fulfilling those roles.

The Nomination Committee, comprising all Directors, reviews fees on a regular basis and makes recommendations to the Board as and when appropriate. Reviews are based on market data provided by the Manager, and includes research carried out by Trust Associates on the level of fees paid to the directors of the Company's peers and within the investment trust industry generally.

All of the Directors are Non-executive. There are no performance-related elements to their fees and the Company does not operate any type of incentive, share scheme, award or pension scheme and therefore no Directors receive bonus payments or pension contributions from the Company or hold options to acquire shares in the Company. Directors are not granted exit payments and are not provided with compensation for loss of office. No other payments are made to Directors, other than the reimbursement of reasonable out-of-pocket expenses.

The Company's Articles of Association stipulate that aggregate fees must not exceed £200,000 per annum. Any increase in this the maximum aggregate amount requires both Board and shareholder approval.

The Directors fees were increased with effect from 1st November 2024 to the following levels: Chairman: Increase by £2,000 from £42,000 to £44,000. Audit Chairman: Increase by £2,000 from £33,000 to £35,000. Other Directors: Increase by £1,500 from £28,000 to £29,500. The Nomination Committee considered that the increases struck a balance between showing restraint given weak shareholder returns over the long term and paying a competitive rate in order to retain an effective board in the long run, which is key to delivering value for shareholders. The Board also approved the payment of an annual fee of £1,000 to the Senior Independent Director in order to reflect the additional responsibilities of the role.

The previous increase in Directors fees was on 1st November 2023.

The Company has no Chief Executive Officer and no employees and therefore there was no consultation with employees, and there is no employee comparative data to provide, in relation to the setting of the remuneration policy for Directors.

The Company has not sought shareholder views on its remuneration policy. The Nomination Committee considers any comments received from shareholders on remuneration policy on an ongoing basis and will take account of these views if appropriate.

The Directors do not have service contracts with the Company. The terms and conditions of Directors' appointments are set out in formal letters of appointment which are available for review at the Company's Annual General Meeting and the Company's registered office. Details of the Board's policy on tenure are set out on page 48.

Directors Remuneration Report

The Directors' Remuneration Report is subject to an annual advisory vote and therefore an ordinary resolution to approve this report will be put to shareholders at the forthcoming Annual General Meeting. There have been no changes to the policy compared with the previous year and no changes are proposed for the forthcoming year.

At the Annual General Meeting held on 4th March 2024, of votes cast, 97.58% of votes cast were in favour of (or granted discretion to the Chairman who voted in favour of) the remuneration report and 2.42% voted against.

Details of voting on the Remuneration Report from the 7th March 2025 Annual General Meeting will be given in the annual report for the year ending 31st October 2025, and annually thereafter.

The law requires the Company's Auditor's to audit certain of the disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in the Independent Auditor's Report on pages 62 to 66.

Details of the implementation of the Company's remuneration policy are given below. No advice from remuneration consultants was received during the year under review.

Single total figure of remuneration

The single total figure of remuneration for the Board as a whole for the year ended 31st October 2024 was £121,965. The single total figure of remuneration for each Director is detailed below together with the prior year comparative.

There are no performance targets in place for the Directors of the Company and there are no benefits for any of the Directors which will vest in the future. There are no benefits, pension, bonus, long term incentive plans, exit payments or arrangements in place on which to report.

Directors' Remuneration Report

Single Total Figure Table[1]

Directors' Name	2024 Fees £	2024 Taxable expenses[2] £	2024 Total £	2023 Fees £	2023 Taxable expenses[2] £	2023 Total £
Eric Sanderson[3]	42,000	6,315	48,315	39,000	—	39,000
Nicholas Pink	28,000	584	28,584	26,000	284	26,284
Dan Burgess[4]	33,000	1,998	34,998	31,000	—	31,000
Yulia Chekunaeva[5]	9,333	735	10,068	—	—	—
Total	**112,333**	**9,632**	**121,965**	**96,000**	**284**	**96,284**

[1] Audited information. Other subject headings for the single figure table as prescribed by regulations are not included because there is nothing to disclose in relation thereto.

[2] Taxable travel and subsistence expenses incurred in attending Board and Committee meetings.

[3] Appointed as a Director of the Company on 4th January 2021.

[4] Appointed as a Director of the Company on 4th January 2022.

[5] Appointed as a Director of the Company on 1st July 2024.

Annual Percentage Change in Directors' Remuneration

The following table sets out the annual percentage change in Directors' fees, including taxable expenses, for the year to 31st October 2024:

	% change for the year ended 31st October 2024				
	2024	2023	2022	2021	2020
Eric Sanderson	23.9	7.5[1]	46.3[1]	n/a	n/a
Nicholas Pink	8.8	1.1	0.0	0.0%	0.0
Dan Burgess	12.9	25.3[2]	n/a	n/a	n/a
Yulia Chekunaeva[3]	n/a	n/a	n/a	n/a	n/a

[1] Eric Sanderson was appointed as Director on 4th January 2021 and then as Chairman on 4th March 2022, therefore the % increase reflects the change from Director to Chairman during 2022 and then for the full year in 2023.

[2] Dan Burgess was appointed on 4th January 2022, hence the % change reflects the fee paid for part for the year 2022 and that paid for the full year in 2023.

[3] Appointed as a Director of the Company on 1st July 2024.

During the year under review, Directors' fees were paid at a fixed rate of £42,000 per annum for the Chairman, £33,000 per annum for the Chairman of the Audit Committee and £28,000 per annum for the other Director. Directors fees from 1st November 2024 will be:

	2025	2024
Chairman	£44,000	£42,000
Chairman of the Audit Committee	£35,000	£33,000
Senior Independent Director[1]	£30,500	n/a
Director	£29,500	£28,000

[1] An additional £1,000 per annum will be paid to the Senior Independent Director.

No amounts (2023: nil) were paid to third parties for making available the services of Directors.

The Directors Fees were last increased on 1st November 2023.

Directors' Shareholdings

There are no requirements pursuant to the Company's Articles of Association for the Directors to own shares in the Company. The Directors' beneficial shareholdings as at 31st October are detailed below. The Directors have no other share interests or share options in the Company and no share schemes are available.

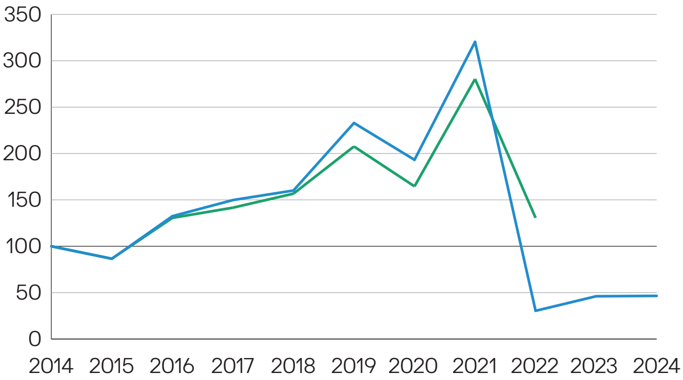
Directors' Name	2024 Number of shares held	2023[1] Number of shares held
Eric Sanderson	2,500	2,500
Nicholas Pink	3,000	3,000
Dan Burgess	—	—
Yulia Chekunaeva	—	n/a

[1] Audited information.

Directors' Remuneration Report

A graph showing the Company's share price total return compared with the Company's benchmark index, is set out below. Details of the Company's performance are set out on page 20.

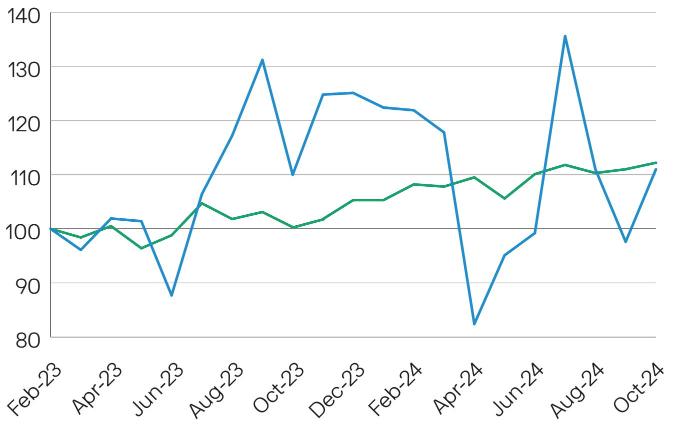
Ten Year Total Return Performance to 31st October 2024 on old benchmark



- Share price total return.
- Benchmark until 30th June 2022, after which this was no longer available.

Source: Morningstar/RTS.

Total Return Performance to 31st October 2024 on Reference index since adoption



- Share price total return.
- Reference Index with effect from 1st March 2023.

Source: Morningstar/RTS.

A table showing the total remuneration for the role of Chairman over the five years ended 31st October 2024 is below:

Remuneration for the role of Chairman over the five years ended 31st October 2024

Year ended 31st October	Fees	Performance related benefits received as a percentage of maximum payable
2024	£42,000	n/a
2023	£39,000	n/a
2022	£39,000	n/a
2021	£39,000	n/a
2020	£39,000	n/a

A table showing actual expenditure by the Company on remuneration and distributions to shareholders for the year and the prior year is as follows:

Expenditure by the Company on Remuneration and Distributions to Shareholders

	Year ended 31st October 2024	2023
Remuneration paid to all Directors	£121,965	£96,284
Distribution to shareholders		
— by way of share repurchases	—	—
— by way of dividend[1]	£202,000	—
Total distribution to shareholders	£202,000	—

[1] See note 10(a) on page 76 for further details.

For and on behalf of the Board
Eric Sanderson
Chairman

3rd February 2025

Statement of Directors' Responsibilities

The Directors are responsible for preparing the annual report and financial statements, and the Directors' Remuneration 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) and Financial Reporting Standard (FRS) 102. Under company law the Directors must not approve the financial statements unless they are satisfied that, taken as a whole, the annual report and financial statements provide the information necessary for shareholders to assess the Company's performance, business model and strategy and that they give a true and fair view of the state of affairs of the Company and of the total return or loss of the Company for that period. In addition, to provide these confirmations, and in preparing these financial statements, the Directors must be satisfied that, taken as a whole, the annual report and financial statements are fair, balanced and understandable. In order to provide these confirmations and in preparing these annual statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

and the Directors confirm they have done 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 the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The report and financial statements are published on the www.jpmeemeasecurities.com website which is maintained by the Company's Manager. The maintenance and integrity of the website maintained by the Manager is, so far as it relates to the Company, the responsibility of the Manager. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and, accordingly, the Auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. The financial statements are prepared in accordance with UK legislation, which may differ from legislation in other jurisdictions.

Under applicable law and regulations the Directors are also responsible for preparing a Strategic Report, a Directors' Report, Directors' Remuneration Report and Statement of Corporate Governance that comply with that law and those regulations.

Each of the Directors, whose names and functions are listed in the Directors' Report, confirms that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law, give a true and fair view of the assets, liabilities, financial position and return or loss of the Company;
- The Directors confirm that, taken as a whole, the annual report and financial statements are fair, balanced and understandable and provide the information necessary for shareholders to assess the strategy and business model of the Company; and of the total return or loss of the Company for that period.
- That the Strategic Report and Directors Report include a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that the Company faces.

The Board confirms that it is satisfied that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

For and on behalf of the Board
Eric Sanderson
Chairman

3rd February 2025

stc.com- personal/mobile, UAE

Independent Auditor's Report

Independent auditor's report to the members of JPMorgan Emerging Europe, Middle East & Africa Securities Plc

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31st October 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of JPMorgan Emerging Europe, Middle East & Africa Securities plc (the 'Company') for the year ended 31st October 2024 which comprise of the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the audit committee, we were appointed by the Board of Directors on 2nd March 2021 to audit the financial statements for the year ended 31st October 2021 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is four years, covering the years ended 31st October 2021 to 31st October 2024. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the appropriateness of the Directors' method of assessing the going concern in light of market volatility and the present uncertainties in economic recovery created by the ongoing geopolitical issues and Inflation by reviewing the information used by the Directors in completing their assessment;
- Challenging the Directors' assumptions and judgements made in their forecasts including performing an independent analysis of the liquidity of the portfolio.
- Assessing the appropriateness of the Directors' assumptions and judgements made by comparing the prior year forecasted costs to the actual costs incurred to check that the projected costs are reasonable; and
- Checking the accuracy of historical forecasting by agreeing to actual results.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Overview

		2024	2023
Key audit matters	Valuation and ownership of quoted investments	✔	✔
Materiality	*Company financial statements as a whole* £212,000 (2023: £188,800) based on 1% (2023: 1%) of Net assets.		

Independent Auditor's Report

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, 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.

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation and ownership of investments Note 1 and 11	The investment portfolio at the year-end comprised of investments held at fair value through profit or loss. There is a risk that the prices used for the valuation of the quoted investments held by the Company are not reflective of fair value and the risk that errors made in the recording of investment holdings result in the incorrect reflection of investments owned by the Company. In addition, due to the trading restrictions imposed on foreign investors investing in Russian securities as a result of the Russian invasion of Ukraine, quoted Russian investments have not been valued based on bid price at year end and instead judgement has been applied. Therefore, we consider the valuation of investments to be the most significant audit area as there is a high level of estimation uncertainty involved in determining the valuation of the Russian quoted investments as at 31 October 2024, and also because the quoted investments represent the most significant balance in the financial statements and underpin the principal activity of the entity. For these reasons, and the materiality of the balance in relation to the financial statements as a whole, we considered this to be a key audit matter.	We performed the following procedures for all quoted investments with the exception of quoted Russian investments: ● Confirmed the year-end bid price was used by agreeing to externally quoted prices of the shares; ● Recalculated the valuation by multiplying the number of shares held per the statement obtained from the custodian by the valuation per share; ● Assessed if there were contra indicators, such as liquidity considerations, to suggest bid price was not the most appropriate indication of fair value by considering the realisation period for individual holdings; ● In respect of the ownership of investments we obtained direct confirmation from JPMorgan Chase regarding all investments held at the reporting date. For quoted Russian investments, we performed the following procedures: ● Assessed the reasonableness of the quoted Russian Portfolio being written down by 99% by discussing the changes made to the surrounding factors in current year when compared to the decision made in prior year by the Investment Manager and the Board, and considered whether there is any contradictory information such as availability of information in the market, and how the market is valuing similar Russian securities. We also considered whether the investments should be written down in their entirety based on research performed and internal consultations. ● In respect of the ownership of investments we obtained direct confirmation from JPMorgan Chase regarding all investments held at the reporting date. *Key observations* Based on our procedures performed we did not identify any matters to suggest that the valuation and ownership of quoted investments was not appropriate.

Independent Auditor's Report

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Company financial statements	
	2024 £m	2023 £m
Materiality	212,000	188,800
Basis for determining materiality	1% of Net assets	1% of Net assets
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.
Performance materiality	£159,000	£141,600
Basis for determining performance materiality	75% of materiality	75% of materiality
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £10,600 (2023: £3,776). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report & financial statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Corporate governance statement

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Independent Auditor's Report

Going concern and longer-term viability	• The Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified; and • The Directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate.
Other Code provisions	• Directors' statement on fair, balanced and understandable; • Board's confirmation that it has carried out a robust assessment of the emerging and principal risks; • The section of the annual report that describes the review of effectiveness of risk management and internal control systems; and • The section describing the work of the Audit Committee.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
Directors' remuneration	In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or • the financial statements and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or • certain disclosures of Directors' remuneration specified by law are not made; or • we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditor’s Report

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with the Investment Manager and Administrator and those charged with governance; and
- Obtaining and understanding of the Company’s policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be Companies Act 2006, the FCA listing and DTR rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and qualification as an Investment Trust under UK tax legislation as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

Our procedures in respect of the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management and those charged with governance relating to the existence of any non compliance with laws and regulations;
- Reviewing minutes of meeting of those charged with governance throughout the period for instances of non compliance with laws and regulations; and
- Reviewing the calculation in relation to Investment Trust compliance to check that the Company was meeting its requirements to retain their Investment Trust Status. This included a review of other qualitative factors and ensuring compliance with these.

Fraud

We assessed the susceptibility of the financial statement to material misstatement including fraud.

Our risk assessment procedures included:

- Enquiry with the Investment Manager, the Administrator and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company’s policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the area most susceptible to be management override of controls.

Our procedures in respect of the above included:

- In addressing the risk of management override of control, we:
- Performed a review of estimates and judgements applied to investment valuations by management in the financial statements to assess their appropriateness and the existence of any systematic bias;
- Considered the opportunity and incentive to manipulate accounting entries and target tested relevant adjustments made in the period end financial reporting process;
- Reviewed for significant transactions outside the normal course of business; and
- Performed a review of unadjusted audit differences, if any, for indications of bias or deliberate misstatement.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, who were deemed to have the appropriate competence and capabilities, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the Company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

Vanessa-Jayne Bradley
For and on behalf of BDO LLP, Statutory Auditor
London, United Kingdom

3rd February 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Anglo gold Ashanti - gold mining company, Johannesburg, South Africa

Statement of Comprehensive Income

For the year ended 31st October

	Notes	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Gains/(losses) on investments held at fair value through profit or loss	3	—	2,431	2,431	—	(161)	(161)
Net foreign currency losses		—	(29)	(29)	—	(72)	(72)
Income from investments	4	974	2	976	641	11	652
Interest income	4	35	—	35	209	—	209
Gross return/(loss)		**1,009**	**2,404**	**3,413**	**850**	**(222)**	**628**
Management fee	5	(66)	(98)	(164)	(41)	(62)	(103)
Other administrative expenses	6	(666)	—	(666)	(467)	(30)	(497)
Net return/(loss) before finance costs and taxation		**277**	**2,306**	**2,583**	**342**	**(314)**	**28**
Finance costs	7	—	—	—	(1)	—	(1)
Net return/(loss) before taxation		**277**	**2,306**	**2,583**	**341**	**(314)**	**27**
Taxation charge	8	(52)	—	(52)	(35)	—	(35)
Net return/(loss) after taxation		**225**	**2,306**	**2,531**	**306**	**(314)**	**(8)**
Return/(loss) per share	9	**0.56p**	**5.70p**	**6.26p**	**0.76p**	**(0.78)p**	**(0.02)p**

All revenue and capital items in the above statement derive from continuing operations.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies. The net return/(loss) after taxation represents the profit/(loss) for the year and also total comprehensive income.

The notes on page 71 to 86 form an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 31st October

	Notes	Called up share capital £'000	Capital redemption reserve £'000	Capital reserves[1] £'000	Revenue reserve[1] £'000	Total £'000
At 31st October 2022		**405**	**196**	**10,086**	**8,201**	**18,888**
Net (loss)/return after taxation		—	—	(314)	306	(8)
At 31st October 2023		**405**	**196**	**9,772**	**8,507**	**18,880**
Net return after taxation		—	—	2,306	225	2,531
Dividend paid in the year	10(a)	—	—	—	(202)	(202)
At 31st October 2024		**405**	**196**	**12,078**	**8,530**	**21,209**

[1] Revenue reserve and the capital reserves form the distributable reserves of the Company and may be used to fund distributions to shareholders. See note 15 on page 78 for details.

The notes on pages 71 to 86 form an integral part of financial statements.

Statement of Financial Position

At 31st October

	Notes	2024 £'000	2023 £'000
Fixed assets			
Investments held at fair value through profit or loss	11	**21,241**	**17,370**
Current assets			
Debtors	12	247	882
Current asset investment[1]		—	1,001
Cash at bank		50	39
		297	**1,922**
Current liabilities			
Creditors: amounts falling due within one year	13	(329)	(412)
Net current (liabilities)/assets		**(32)**	**1,510**
Total assets less current liabilities		**21,209**	**18,880**
Net assets		**21,209**	**18,880**
Capital and reserves			
Called up share capital	14	405	405
Capital redemption reserve	15	196	196
Capital reserves	15	12,078	9,772
Revenue reserve	15	8,530	8,507
Total shareholders' funds		**21,209**	**18,880**
Net asset value per share	16	**52.5p**	**46.7p**

[1] Cash at bank in the Statement of Financial Position has been restated to exclude the investment in the JPMorgan GBP Liquidity Fund of £1,001,000 for the year ended 31st October 2023, and to disclose this separately as current asset investments to conform with the statutory format as required by the Companies Act. There is no impact on other line items in the Statement of Financial Position nor on the total current assets.

The financial statements on pages 68 to 70 were approved and authorised for issue by the Directors on 3rd February 2025 and signed on their behalf by:

Eric Sanderson
Chairman

The notes on pages 71 to 86 form an integral part of these financial statements.

Company registration number: 4567378.

Statement of Cash Flows

For the year ended 31st October

	2024 £'000	2023 £'000
Cash flows from operating activities		
Net return before finance costs and taxation	2,583	28
Adjustment for:		
Net (gains)/losses on investments held at fair value through profit or loss	(2,431)	161
Net foreign currency losses	29	72
Dividend income	(976)	(652)
Interest income	(35)	(209)
Realised losses on foreign exchange transactions	(24)	(78)
Increase in accrued income and other debtors	(46)	(7)
(Decrease)/increase in accrued expenses	(11)	132
Net cash outflow from operating activities before dividends, interest and taxation	(911)	(553)
Dividends received	907	577
Interest received	35	209
Overseas withholding tax recovered	2	5
Net cash inflow from operating activities	**33**	**238**
Purchases of investments	(10,643)	(19,928)
Sales of investments	9,827	3,661
Net cash outflow from investing activities	**(816)**	**(16,267)**
Equity dividends paid	(202)	—
Interest paid	—	(1)
Net cash outflow from financing activities	**(202)**	**(1)**
Decrease in cash and cash equivalents	**(985)**	**(16,030)**
Cash at bank and current asset investments at start of year	1,040	17,064
Exchange movements	(5)	6
Cash at bank and current asset investments at end of year	**50**	**1,040**
Cash at bank and current asset investments consist of:		
Cash at bank	50	39
Investment in JPMorgan GBP Liquidity Fund	—	1,001
Total	**50**	**1,040**

The notes on pages 71 to 86 form an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 31st October 2024

1. Accounting policies

(a) Basis of accounting

The financial statements are prepared under the historical cost convention, modified to include fixed asset investments at fair value, and in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice ('UK GAAP'), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies in July 2022.

All of the Company's operations are of a continuing nature.

The financial statements have been prepared on a going concern basis. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence up to 31st January 2026 which is at least 12 months from the date of approval of these Financial Statements. In forming this opinion, the Directors have considered the impact of Russia's invasion of Ukraine and conflict in the Middle East. They have considered the mitigation measures which key service providers, including the Manager, have in place to maintain operational resilience. The Directors have broadened the Company's investment mandate to include emerging European, Middle Eastern and African countries and concluded that this is sufficient to apply the going concern basis. The Directors have reviewed income and expense projections and the liquidity of the investment portfolio in making their assessment.

In addition to the above, the Company carried out stress testing that included modelling significantly reduced market liquidity and considered the impact of stressed revenue. In even the most stressed scenario, the Company was shown to have sufficient cash, or to be able to liquidate a sufficient portion of its listed holdings, in order to meet its liabilities as they fall due.

The policies applied in these financial statements are consistent with those applied in the preceding year.

(b) Valuation of investments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

The Company's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth. The portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with a documented investment strategy. Upon initial recognition the investments are held at cost, excluding expenses incidental to purchase which are expensed to capital at the time of acquisition. Subsequently, investments traded in active markets are valued at fair value, which are quoted bid prices. For investments which are not traded in active markets, unlisted and restricted investments, the Board takes into account the latest traded prices, other observable market data and asset values based on the latest management accounts.

The Directors consider that in the absence of observable market data on its Russian investments resulting from the closure of the Moscow Exchange (MOEX) to overseas investors, there has been a material change to the market value of its Russian investments. The fair value valuation methodology applied to those investments held at the 31st October 2024 is in accordance with the Directors expectation of the fair value of the Russian investments and is consistent to that applied in the prior year. This fair valuation was applied to the last traded price on 25th February 2022 for locally held stock on the MOEX (i.e. when the market was still trading normally) using a 99% provision for valuation purposes. Similarly, for the American Depositary Receipts and Global Depositary Receipts the fair value adjustment has been applied to the last trade price on 2nd March 2022 and a 99% provision for valuation applied. The quantum of the provision applied of 99% is a subjective view designed to acknowledge that there is some intrinsic value in the portfolio, albeit, it is currently untradeable.

All purchases and sales are accounted for on a trade date basis.

(c) Accounting for gains and losses on investments

Gains and losses on sales of investments including the related foreign exchange gains and losses, realised gains and losses on foreign currency, management fees allocated to capital and any other capital charges, are included in the Statement of Comprehensive Income and dealt with in capital reserves within 'Realised Gains and losses'.

Increases and decreases in the valuation of investments held at the year end including the related foreign exchange gains and losses, are included in the Statement of Comprehensive Income and dealt with in capital reserves within 'Investment holding gains and losses'.

Notes to the Financial Statements

1. Accounting policies (continued)

(d) Income

Dividends receivable from equity shares are included in revenue on an ex-dividend basis except where, in the opinion of the Board, the dividend is capital in nature, in which case it is included in capital. Since Russia's invasion of Ukraine in February 2022, dividends paid by investee companies have been held in a Custodian 'S' account. Monies in this account cannot currently be converted into GBP and remitted to the Company. Accordingly, they are not recognised in the Company's accounts.

Overseas dividends are included gross of any withholding tax.

Special dividends are recognised on an ex-dividend basis and are treated as a capital item or revenue item depending on the facts and circumstances of each dividend.

Where the Company has elected to receive scrip dividends in the form of additional shares rather than in cash, the amount of the cash dividend foregone is recognised in revenue. Any excess in the value of the shares received over the amount of the cash dividend is recognised in capital.

Interest receivable from deposits and from the liquidity fund are taken to revenue on an accruals basis.

(e) Expenses

All expenses are accounted for on an accruals basis. Expenses are allocated wholly to the revenue account with the following exceptions:

- The management fee is allocated 40% to revenue and 60% to capital, in line with the Board's expected long term split of revenue and capital return from the Company's investment portfolio.
- Expenses incidental to the purchase and sale of an investment are charged to capital. These expenses are commonly referred to as transaction costs and comprise brokerage commission and stamp duty. Details of transaction costs are given in note 11 on page 77.

(f) Financial instruments

Cash at bank may comprise cash including demand deposits which are short term. Current asset investments will include highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value. The Company invests in JPMorgan Liquidity funds, which are considered current asset investments as they are held for short term cash management purposes, as an alternative to cash, which are readily realisable to a known amount of cash with low volatility NAV. Since Russia's invasion of Ukraine on 24th February 2022, the Company's remittance of dividends from Russian companies has been prohibited. As a result, cash at bank in respect of Russia are held in restricted accounts which are not available to the Company and therefore are not recognised in the annual financial report.

Other debtors and creditors do not carry any interest, are short term in nature and are accordingly stated at nominal value, with debtors reduced by appropriate allowances for estimated irrecoverable amounts.

Derivative financial instruments, including short term forward currency contracts are valued at fair value, which is the net unrealised gain or loss, and are included in current assets or current liabilities in the Statement of Financial Position. Changes in the fair value of derivative financial statements are recognised in the Statement of Comprehensive Income as capital.

(g) Taxation

Current tax is provided at the amounts expected to be paid or recovered.

Deferred tax is provided on all timing differences that have originated but not reversed by the balance sheet date. Deferred tax liabilities are recognised for all taxable timing differences but deferred tax assets are only recognised to the extent that it is more likely than not that taxable profits will be available against which those timing differences can be utilised.

Deferred tax is measured at the tax rate which is expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates that have been enacted or substantively enacted at the balance sheet date and is measured on an undiscounted basis.

(h) Value Added Tax ('VAT')

Expenses are disclosed inclusive of the related irrecoverable VAT. Recoverable VAT is calculated using the partial exemption method based on the proportion of zero rated supplies to total supplies.

(i) Foreign currency

The Company is required to identify its functional currency, being the currency of the primary economic environment in which the Company operates.

The Board, having regard to the currency of the Company's share capital and the predominant currency in which it pays distributions expenses and its shareholders operate, has determined that sterling is the functional currency. Sterling is also the currency in which the financial statements are presented.

Transactions denominated in foreign currencies are converted at actual exchange rates at the date of the transaction. Monetary assets, liabilities and equity investments held at fair value, denominated in foreign currencies at the year end are translated at the rates of exchange prevailing at the year end.

Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included in the Statement of Comprehensive Income as an exchange gain or loss in revenue or capital, depending on whether the gain or loss is of a revenue or capital nature.

(j) Dividends

Dividends are included in the financial statements in the year in which they are paid.

(k) Repurchase of ordinary shares for cancellation

The cost of repurchasing ordinary shares including the related stamp duty and transactions costs is charged to the 'Capital Reserve' and recognised within the Statement of Changes in Equity. Share repurchase transactions are accounted for on a trade date basis. The nominal value of ordinary share capital repurchased and cancelled is transferred out of 'Called up share capital' and into 'Capital redemption reserve'.

(l) Issuance of new ordinary shares

The sales proceeds from the issuance of new ordinary shares up to the nominal value of the shares issued is accounted for in Called up share capital. The amount of sales proceeds in excess of the nominal value of the shares issued is accounted for in Share premium.

Should shares held in Treasury be reissued, the sales proceeds will be treated as a realised profit up to the amount of the purchase price of those shares and will be transferred to capital reserves. The excess of the sales proceeds over the purchase price will be transferred to share premium. In circumstances where issuance occurs and there are no shares held in Treasury the Company will apply to the London Stock Exchange for a 'Block Listing' and New Ordinary shares will be issued.

2. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements on occasion requires the Directors 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.

With the exception of the valuation methodology applied at 31st October 2024 to the Russian securities outlined in note 1 (b) above, the Directors do not consider that any significant accounting judgements or estimates have been applied to this set of financial statements, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Dividends received which appear to be unusual in size or circumstance are assessed on a case-by-case basis, based on interpretation of the investee companies' relevant statements, in order to make a judgement to determine their allocation in accordance with the SORP to either the Revenue Account or Capital Reserves.

Judgement is involved in determining the functional currency of the company in accordance with SORP and FRS 102. See accounting policy 1(i) to determine the functional currency.

3. Gains/(losses) on investments held at fair value through profit or loss

	2024 £'000	2023 £'000
Realised losses on sale of investments	(3,827)	(4,654)
Net change in unrealised losses and gains on investments	6,279	4,496
Other capital charges	(21)	(3)
Total capital gains/(losses) on investments held at fair value through profit or loss	**2,431**	**(161)**

Notes to the Financial Statements

4. Income

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Income from investments						
UK dividends	28	—	28	5	—	5
Overseas dividends	883	—	883	623	—	623
Special dividends	63	2	65	13	11	24
	974	**2**	**976**	**641**	**11**	**652**
Interest and similar income						
Interest from JPMorgan GBP Liquidity Fund	32	—	32	207	—	207
Deposit interest	3	—	3	2	—	2
	35	**—**	**35**	**209**	**—**	**209**
Total income	**1,009**	**2**	**1,011**	**850**	**11**	**861**

5. Management fee

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Management fee	66	98	164	41	62	103

Details of the management fee are given in the Directors' Report on page 44. The Management fee was reinstated with effect from 1st March 2023 on the Company's non-Russian held assets.

6. Other administrative expenses

	2024 £'000	2023 £'000
Safe custody fees[1]	284	193
Administration expenses	212	126
Directors' fees[2]	112	96
Auditor's remuneration for audit services	48	44
Depositary fees[3]	10	8
Total charged to revenue	**666**	**467**
Legal fees[4]	—	30
Total charged to capital	**—**	**30**
Total	**666**	**497**

[1] Safe custody fees includes the amounts payable to the custodian on the Russian holdings, even though these investments remain sanctioned and consequently written down by the Directors in the Statement of Financial Position.

[2] Full disclosure is given in the Directors' Remuneration Report on pages 56 to 58. Excludes Directors' taxable expenses, which are included within administration expenses.

[3] Includes £nil (2023: £nil) irrecoverable VAT.

[4] Professional services, excluding VAT, in connection with all work carried out on behalf of the Company in respect of sponsorship and legal advice and assistance relating to the Company's change in investment policy.

7. Finance costs

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Bank overdraft interest	—	—	—	1	—	1

8. Taxation

(a) Analysis of tax charge for the year

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Overseas withholding tax	52	—	52	35	—	35
Total tax charge for the year	**52**	**—**	**52**	**35**	**—**	**35**

(b) Factors affecting the total tax charge for the year

The tax charge for the year is lower (2023: higher) than the Company's applicable blended rate of corporation tax of 25.00% (2023: 22.52%), being the combined effective tax rate in respect of the tax years that are applicable during the Company's financial year end. The factors affecting the total tax charge for the year are as follows:

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Net return/(loss) before taxation	277	2,306	2,583	341	(314)	27
Net return/(loss) on ordinary activities before taxation multiplied by the Company's applicable rate of corporation tax of 25.00% (2023: 22.52%)	69	576	645	77	(71)	6
Effects of:						
(Gains)/losses on investments not subject to UK income tax	—	(601)	(601)	—	52	52
Non taxable UK dividends	(7)	—	(7)	(1)	—	(1)
Non taxable overseas dividends	(236)	—	(236)	(143)	(2)	(145)
Tax attributable to expenses and finance costs charged to capital	(25)	25	—	(21)	21	—
Overseas withholding tax on dividends	52	—	52	35	—	35
Unutilised expenses carried forward to future periods	199	—	199	88	—	88
Total tax charge for the year	**52**	**—**	**52**	**35**	**—**	**35**

(c) Deferred taxation

The Company has an unrecognised deferred tax asset of £1,879,000 (2023: £1,680,000) based on a prospective corporation tax rate of 25% (2023: 25%). The deferred tax asset has arisen due to the cumulative excess of deductible expenses over taxable income amounting to £7,515,000 (2023: £6,720,000).

Given the composition of the Company's portfolio, it is not likely that this asset will be utilised in the foreseeable future and therefore no asset has been recognised in the financial statements.

Given the Company's status as an investment trust company and the intention to continue meeting the conditions required to obtain approval, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

Notes to the Financial Statements

9. Return/(loss) per share

	2024 £'000	2023 £'000
Revenue return	225	306
Capital return/(loss)	2,306	(314)
Total return/(loss)	**2,531**	**(8)**
Weighted average number of shares in issue during the year	40,436,176	40,436,176
Revenue return per share	0.56p	0.76p
Capital return/(loss) per share	5.70p	(0.78)p
Total return/(loss) per share	**6.26p**	**(0.02)p**

10. Dividends

(a) Dividends paid and proposed

	2024		2023	
	Pence	£'000	Pence	£'000
Dividend paid				
Final dividend in respect of prior year	0.5	202	—	—
Total dividends paid in the year	**0.5**	**202**	**—**	**—**

(b) Dividends for the purposes of Section 1158 of the Corporation Tax Act 2010 ('Section 1158')

The requirements of Section 1158 are considered on the basis of the dividend proposed in respect of the financial year, shown below. The revenue available for distribution by way of dividend is £225,000 (2023: £306,000).

	2024		2023	
	Pence	£'000	Pence	£'000
Final dividend proposed	0.5	202	0.5	202
Total dividend for Section 1158 purposes	**0.5**	**202**	**0.5**	**202**

The final dividend proposed in respect of the year ended 31st October 2024 is subject to shareholder approval at the forthcoming Annual General Meeting. In accordance with the accounting policy of the Company, this dividend will be reflected in the financial statements for the year ending 31st October 2025.

Notes to the Financial Statements

11. Investments held at fair value through profit or loss

	2024 £'000	2023 £'000
Investments listed on a recognised stock exchange	21,241	17,370
Opening book cost	241,435	230,479
Opening investment holding losses	(224,065)	(228,561)
Opening valuation	17,370	1,918
Purchases at cost	10,573	20,115
Sales proceeds	(9,154)	(4,505)
Losses on sales of investments based on the carrying value at the previous balance sheet date	(3,827)	(4,654)
Net movement in investment holding gains	6,279	4,496
	21,241	**17,370**
Closing book cost	239,027	241,435
Closing investment holding losses	(217,786)	(224,065)
Total investments held at fair value through profit or loss	**21,241**	**17,370**

Following Russia's invasion of Ukraine and closure of the Moscow Exchange (MOEX) to overseas investors, including the Company, an alternative fair value valuation method was applied to the Company's holdings in Russian stocks. For its MOEX local stock, an alternative fair value adjustment has been applied to the last trade price on 25th February 2022. The price of these stocks has been determined by taking the live market price as at 25th February 2022 and applying a 99% provision for valuation. Similarly, for the American Depositary Receipts and Global Depositary Receipts an alternative fair value adjustment has been applied to the last trade price on 2nd March 2022 and a 99% provision for valuation applied.

The Company received £9,154,000 (2023: £4,505,000) from investments sold in the year. The book cost of these investments when they were purchased was £12,981,000 (2023: £9,159,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Transaction costs on purchases during the year amounted to £38,000 (2023: £44,000) and on sales during the year amounted to £13,000 (2023: £7,000). These costs comprise mainly brokerage commission stamp duty and are charged to capital per note 1(e).

12. Current assets

	2024 £'000	2023 £'000
Debtors		
Securities sold awaiting settlement	124	820
Overseas tax recoverable	45	23
VAT recoverable	56	16
Dividends and interest receivable	5	12
Other debtors	17	11
Total	**247**	**882**

The Directors consider that the carrying amount of debtors approximates to their fair value. The Directors do not consider any of the amounts included in the note above to be past due or impaired as at 31st October 2024 (2023: £nil).

Notes to the Financial Statements

13. Creditors: amounts falling due within one year

	2024 £'000	2023 £'000
Other creditors and accruals	212	225
Securities purchased awaiting settlement	117	187
Total	**329**	**412**

The Directors consider that the carrying amount of creditors falling due within one year approximates to their fair value.

14. Called up share capital

	2024		2023	
	Number of Shares	£'000	Number of Shares	£'000
Ordinary shares of 1p each				
Opening balance	40,436,176	405	40,436,176	405
Closing balance	**40,436,176**	**405**	**40,436,176**	**405**

The holders of ordinary shares carry the right to receive all the revenue profits of the Company available for distribution and from time to time determined by the Directors to be distributed by way of dividend. The holders of the ordinary shares hold all voting rights and are entitled to all the assets of the Company on a return of capital, return of assets or on a winding up.

Further details of transactions in the Company's shares are given in Share Capital on page 29.

15. Capital and reserves

			Capital reserves[1]			
2024	Called up share capital £'000	Capital redemption reserve £'000	Realised gains and losses[1] £'000	Investment holding gains and losses £'000	Revenue reserve[1] £'000	Total £'000
Opening balance 1st November 2023	405	196	233,837	(224,065)	8,507	18,880
Realised foreign currency losses on cash and cash equivalents	—	—	(29)	—	—	(29)
Realised losses on investments	—	—	(3,827)	—	—	(3,827)
Unrealised gains on investments	—	—	—	6,279	—	6,279
Expenses charged to capital	—	—	(98)	—	—	(98)
Other capital charges	—	—	(21)	—	—	(21)
Capital special dividend received	—	—	2	—	—	2
Retained revenue for the year	—	—	—	—	225	225
Dividends paid in the year	—	—	—	—	(202)	(202)
Closing balance 31st October 2024	**405**	**196**	**229,864**	**(217,786)**	**8,530**	**21,209**

[1] These reserves form the distributable reserves of the Company and may be used to fund distributions to investors via dividend payments.

2023	Called up share capital £'000	Capital redemption reserve £'000	Capital reserves[1] Realised gains and losses[1] £'000	Capital reserves[1] Investment holding gains and losses £'000	Revenue reserve[1] £'000	Total £'000
Opening balance 1st November 2022	405	196	238,647	(228,561)	8,201	18,888
Realised foreign currency losses on cash and cash equivalents	—	—	(72)	—	—	(72)
Realised losses on investments	—	—	(4,654)	—	—	(4,654)
Unrealised gains on investments	—	—	—	4,496	—	4,496
Expenses charged to capital	—	—	(92)	—	—	(92)
Other capital charges	—	—	(3)	—	—	(3)
Capital special dividends received	—	—	11	—	—	11
Retained revenue for the year	—	—	—	—	306	306
Closing balance 31st October 2023	**405**	**196**	**233,837**	**(224,065)**	**8,507**	**18,880**

[1] These reserves form the distributable reserves of the Company and may be used to fund distributions to investors via dividend payments.

16. Net asset value per share

	2024	2023
Net assets (£'000)	21,209	18,880
Number of shares in issue	40,436,176	40,436,176
Net asset value per share	**52.5p**	**46.7p**

17. Contingent liabilities and capital commitments

At the balance sheet date there were no contingent liabilities or capital commitments (2023: none).

18. Transactions with the Manager and related parties

Details of the management contract are set out in the Directors' Report on page 44. The management fee payable to the Manager for the year was £164,000 (2023: £103,000) of which £2,000 (2023: £nil) was outstanding at the year end.

Included in note 6 on page 74 are safe custody fees amounting to £284,000 (2023: £193,000) payable to JPMorgan Chase Bank N.A. during the year of which £66,000 (2023: £96,000) was outstanding at the year end.

The Manager may carry out some of its dealing transactions through group subsidiaries. These transactions are carried out at arm's length. The commission payable to JPMorgan Securities Limited for the year was £nil (2023: £nil) of which £nil (2023: £nil) was outstanding at the year end.

The Company was invested in the JPMorgan GBP Liquidity Fund, which is managed by JPMorgan Asset Management (Europe) S.à r.l. At the year end this was valued at £nil (2023: £1,001,000). Interest amounting to £32,000 (2023: £207,000) was receivable during the year of which £nil (2023: £nil) was outstanding at the year end.

Handling charges on dealing transactions amounting to £22,000 (2023: £3,000) were payable to JPMorgan Chase Bank N.A. during the year of which £3,000 (2023: £5,000) was outstanding at the year end.

At the year end, total cash of £50,000 (2023: £39,000) was held with JPMorgan Chase Bank, N.A. A net amount of interest of £3,000 (2023: £2,000) was receivable by the Company during the year from JPMorgan Chase Bank, N.A.

Full details of Directors' remuneration and shareholdings can be found on page 57 and in note 6 on page 74.

Notes to the Financial Statements

19. Disclosures regarding financial instruments measured at fair value

The Company's financial instruments within the scope of FRS 102 that are held at fair value comprise its investment portfolio.

The investments are categorised into a hierarchy consisting of the following three levels:

Level 1 **The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date**

Level 2 **Inputs other than quoted prices included within Level 1 that are observable (i.e.: developed using market data) for the asset or liability, either directly or indirectly**

Level 3 **Inputs are unobservable (i.e.: for which market data is unavailable) for the asset or liability**

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.

Details of the valuation techniques used by the Company are given in note 1(b) on page 71.

The following table sets out the fair value measurements using the FRS 102 hierarchy at 31st October.

	2024		2023	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	19,811	—	15,812	—
Level 3[1]	1,430	—	1,558	—
Total	**21,241**	**—**	**17,370**	**—**

[1] Following Russia's invasion of Ukraine and closure of the Moscow Exchange (MOEX) to overseas investors, including the Company, a fair value valuation method was applied to the Company's holdings in Russian stocks. Therefore the Company has applied an alternative valuation method. For its MOEX local stock, a fair value adjustment has been applied to the last trade price on 25th February 2022. The price of these stocks has been determined by taking the live market price as at 25th February 2022 and applying a 99% provision for valuation and for American Depositary Receipts and Global Depositary Receipts a fair value adjustment has been applied to the last trade price on 2nd March 2022.

	2024 Total £'000	2023 Total £'000
Level 3		
Opening balance	1,558	1,918
Transfers into Level 3	—	—
Purchases costs	—	—
Sales proceeds	(1,167)	—
Realised losses	(4,176)	(4,658)
Change in fair value of unquoted investment during the year	5,215	4,298
Closing balance	**1,430**	**1,558**

20. Financial instruments' exposure to risk and risk management policies

As an investment trust, the Company invests in equities for the long term so as to secure its investment objective stated on the 'Key Features' on page 2. In pursuing this objective, the Company is exposed to a variety of financial risks that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends.

These financial risks include market risk (comprising currency risk, interest rate risk and other price risk), liquidity risk and credit risk. The Directors' policy for managing these risks is set out below. The Company Secretary, in close cooperation with the Board and the Manager, coordinates the Company's risk management policy.

The objectives, policies and processes for managing the risks and the methods used to measure the risks that are set out below, have not changed from those applying in the comparative year.

The Company's classes of financial instruments are as follows:

- investments in listed equity shares of emerging Europe (including Russia), Middle East and Africa companies, which are held in accordance with the Company's investment objective;
- cash held within a liquidity fund and time deposits;
- short term debtors, creditors and cash arising directly from its operations; and
- loan facilities, the purpose of which are to finance the Company's operations.

(a) Market risk

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. Information to enable an evaluation of the nature and extent of these three elements of market risk is given in parts (i) to (iii) of this note, together with sensitivity analyses where appropriate. The Board reviews and agrees policies for managing these risks and these policies have remained unchanged from those applying in the comparative year. The Manager assesses the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis.

(i) Currency risk

Substantially all of the Company's assets, liabilities and income are denominated in currencies other than sterling which is the Company's functional currency and presentation currency. As a result, movements in exchange rates may affect the sterling value of those items.

Management of currency risk

The Manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board, which meets on at least five occasions each year. The Manager measures the risk to the Company of this exposure by considering the effect on the Company's net asset value and income of a movement in rates of exchange to which the Company's assets, liabilities, income and expenses are exposed.

Foreign currency borrowing may be used to limit the Company's exposure to changes in exchange rates which might otherwise adversely affect the value of the portfolio of investments. This borrowing would be limited to currencies and amounts commensurate with the asset exposure to those currencies. Income denominated in foreign currencies is converted to sterling on receipt.

Foreign currency exposure

The fair value of the Company's monetary items that have foreign currency exposure at 31st October are shown below. Where the Company's equity investments (which are not monetary items) are priced in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure.

	2024							
	Saudi Arabian Riyal £'000	South African Rand £'000	Arab Emirates Dirham £'000	Euro £'000	US Dollar £'000	Turkey Lira £'000	Others £'000	Total £'000
Net current assets	6	40	7	4	(18)	—	11	50
Foreign currency exposure on net monetary items	6	40	7	4	(18)	—	11	50
Investments held at fair value through profit or loss	4,581	3,613	3,062	2,402	1,960	1,352	3,761	20,731
Total net foreign currency exposure	4,587	3,653	3,069	2,406	1,942	1,352	3,772	20,781

Notes to the Financial Statements

20. Financial instruments' exposure to risk and risk management policies (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

Foreign currency exposure (continued)

	2023							
	Saudi Arabian Riyal £'000	South African Rand £'000	Arab Emirates Dirham £'000	US Dollar £'000	Euro £'000	Rouble £'000	Others £'000	Total £'000
Net current assets	242	19	1	436	—	—	10	708
Foreign currency exposure on net monetary items	242	19	1	436	—	—	10	708
Investments held at fair value through profit or loss	5,507	4,343	2,464	1,507	958	441	1,951	17,171
Total net foreign currency exposure	5,749	4,362	2,465	1,943	958	441	1,961	17,879

In the opinion of the Directors, the above year end amounts are broadly representative of the exposure to foreign currency risk during the year.

Equity investments held at fair value through profit or loss have all been included under their respective currency exposure in the tables above, because they are priced in that currency. However it should be noted that the operating activities of these companies are primarily exposed to the currencies detailed in the tables above.

Foreign currency sensitivity

The following table illustrates the sensitivity of return after taxation for the year and net assets with regard to the Company's monetary financial assets and financial liabilities and exchange rates. The sensitivity analysis is based on the Company's monetary currency financial instruments held at each balance sheet date and the income receivable in foreign currency and assumes a 10% (2023: 10%) appreciation or depreciation in sterling against the currencies to which the Company is exposed to, which is considered to be a reasonable illustration based on the volatility of exchange rates during the year.

	2024		2023	
	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000	If sterling strengthens by 10% £'000	If sterling weakens by 10% £'000
Statement of Comprehensive Income – return after taxation				
Revenue return	(95)	95	(65)	65
Capital return	(5)	5	(71)	71
Total return after taxation	(100)	100	(136)	136
Net assets	**(100)**	**100**	**(136)**	**136**

In the opinion of the Directors, the above sensitivity analysis is broadly representative of the whole year.

The foreign currency sensitivity of the equity investments is included within the Other Price Risk sensitivity disclosed in note 20(a) (iii).

(ii) Interest rate risk

Interest rate movements may affect the level of income receivable on cash deposits and the liquidity fund.

Management of interest rate risk

The Company does not normally hold significant cash balances. Short term borrowings may be used when required, however the Company currently has no loan facility in place.

Interest rate exposure

The exposure of financial assets and liabilities to floating interest rates using the year end figures, giving cash flow interest rate risk when rates are reset, is shown below.

	2024 £'000	2023 £'000
Exposure to floating interest rates:		
Current asset investment – JPMorgan USD Liquidity Fund	—	1,001
Cash at bank[1]	50	39
Total exposure	**50**	**1,040**

[1] Interest receivable on cash balances, or paid on overdrafts, is at a margin below or above SONIA respectively (2023: same).

Interest rate sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to a 1.0% (2023: 4.0%) increase or decrease in interest rates in regards to the Company's monetary financial assets and financial liabilities. This level of change is considered to be a reasonable illustration based on observation of current market conditions. The sensitivity analysis is based on the Company's monetary financial instruments held at the balance sheet date with all other variables held constant.

	2024		2023	
	1% increase in rate £'000	1% decrease in rate £'000	4% increase in rate £'000	4% decrease in rate £'000
Statement of Comprehensive Income – return after taxation				
Revenue return	1	(1)	42	(42)
Capital return	—	—	—	—
Total return after taxation	1	(1)	42	(42)
Net assets	**1**	**(1)**	**42**	**(42)**

In the opinion of the Directors, this sensitivity analysis may not be representative of the Company's future exposure to interest rate changes due to fluctuations in the level of cash balances and cash held in the liquidity fund.

(iii) Other price risk

Other price risk includes changes in market prices, other than those arising from interest rate risk or currency risk, which may affect the value of equity investments.

Management of other price risk

The Board meets on at least five occasions each year to consider the asset allocation of the portfolio and the risk associated with particular industry sectors. The investment management team has responsibility for monitoring the portfolio, which is selected in accordance with the Company's investment objectives and seeks to ensure that individual stocks meet an acceptable risk/reward profile.

Other price risk exposure

The Company's total exposure to changes in market prices at 31st October comprises its holdings in equity investments as follows:

	2024 £'000	2023 £'000
Investments held at fair value through profit or loss	21,241	17,370

The above data is broadly representative of the exposure to other price risk during the current and comparative year.

Notes to the Financial Statements

20. Financial instruments' exposure to risk and risk management policies (continued)

(a) Market risk (continued)

(iii) Other price risk (continued)

Concentration of exposure to other price risk

An analysis of the Company's investments is given on pages 24 to 26 which shows the geographical exposure of the portfolio. It should also be noted that an investment may not be entirely exposed to the economic conditions in its country of domicile or of listing.

Other price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and net assets to an increase or decrease of 10% (2023: 10%) in the market value of equity 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 the Company's equities, adjusting for changes in the management fee but with all other variables held constant.

	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 – return after taxation				
Revenue return	(8)	8	(7)	7
Capital return	2,113	(2,113)	1,728	(1,728)
Total return after taxation	2,105	(2,105)	1,721	(1,721)
Net assets	**2,105**	**(2,105)**	**1,721**	**(1,721)**

(b) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of the risk

Liquidity risk is not significant as the Company's assets comprise mainly cash and cash equivalents and readily realisable securities, which can be sold to meet funding requirements if necessary. There is currently no loan facility in place.

Liquidity risk exposure

Contractual maturities of the financial liabilities, based on the earliest date on which payment can be required are as follows:

	2024				2023			
	Three months or less £'000	More than three months but not more than one year £'000	More than one year £'000	Total £'000	Three months or less £'000	More than three months but not more than one year £'000	More than one year £'000	Total £'000
Creditors:								
Other creditors and accruals	212	—	—	212	225	—	—	225
Securities purchased awaiting settlement	117	—	—	117	187	—	—	187
	329	**—**	**—**	**329**	**412**	**—**	**—**	**412**

The liabilities shown above represent future contractual payments and therefore may differ from the amounts shown in the Statement of Financial Position.

(c) Credit risk

Credit risk is the risk that the failure of the counterparty to a transaction to discharge its obligations under that transaction could result in loss to the Company.

Management of credit risk

Portfolio dealing

The Company invests in markets that operate Delivery Versus Payment ('DVP') settlement. The process of DVP mitigates the risk of losing the principal of a trade during the settlement process. The Manager continuously monitors dealing activity to ensure best execution, a process that involves measuring various indicators including the quality of trade settlement and incidence of failed trades. Counterparty lists are maintained and adjusted accordingly.

Cash at bank and current asset investments

Counterparties are subject to regular credit analysis by the Manager and deposits can only be placed with counterparties that have been approved by JPMAM's Counterparty Risk Group and the Board.

Exposure relating to depositary and custody arrangements

The depositary, Bank of New York Mellon (International) Limited, is responsible for the safekeeping of all custodial assets of the Company and for verifying and maintaining a record of all other assets of the Company. However, no absolute guarantee can be given on the protection of all the assets of the Company.

JPMorgan Bank International, the Russian sub-custodian which holds the Company's assets in Russia, is one of the JPMorgan entities listed as a defendant in the lawsuit filed by VTB Bank seeking to recover $439.5 million. Consequently, the Company's Russian assets could be at risk if the court upholds the claim. Additional information can be found in note 23 of the financial statements.

JPMorgan Chase Bank, N.A. is the custodian of the Company's assets. The Company's assets are segregated from JPMorgan Chase's own trading assets. Therefore these trading assets are designed to be protected from creditors in the event that JPMorgan Chase were to cease trading.

Credit risk exposure

The amounts shown in the Statement of Financial Position under debtors and cash and cash equivalents represent the maximum exposure to credit risk at the current and comparative year ends.

(d) Fair values of financial assets and financial liabilities

All financial assets and liabilities are either included in the Statement of Financial Position at fair value or the carrying amount is a reasonable approximation of fair value.

21. Capital management policies and procedures

The Company's capital structure comprises the following:

	2024 £'000	2023 £'000
Equity:		
Called up share capital	405	405
Reserves	20,804	18,475
Total capital	**21,209**	**18,880**

The investment objective of the Company during the reporting period was to maximise total returns, primarily from investment in quoted securities. On 23rd November 2022, the Company's investment objective was widened to include investment in Emerging Europe, Middle East and Africa.

The Company's capital management objectives are to ensure that it will continue as a going concern and to maximise capital return to its equity shareholders.

Notes to the Financial Statements

21. Capital management policies and procedures (continued)

	2024 £'000	2023 £'000
Investments held at fair value through profit or loss	21,241	17,370
Net assets	21,209	18,880
Gearing/(Net cash)	**0.2%**	**(8.0)%**

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

– the planned level of gearing, which takes into account the Manager's views on the market;

– the need to buy back equity shares for cancellation, which takes into account the share price discount or premium; and

– the need for issues of new shares.

22. Analysis of changes in net cash

	As at 31st October 2023 £'000	Cash flows £'000	Exchange movements £'000	As at 31st October 2024 £'000
Cash at bank and current asset investment				
Cash at bank	39	16	(5)	50
Current asset investment[1]	1,001	(1,001)	—	—
Net cash	**1,040**	**(985)**	**(5)**	**50**

[1] JPMorgan GBP Liquidity Fund, money market fund.

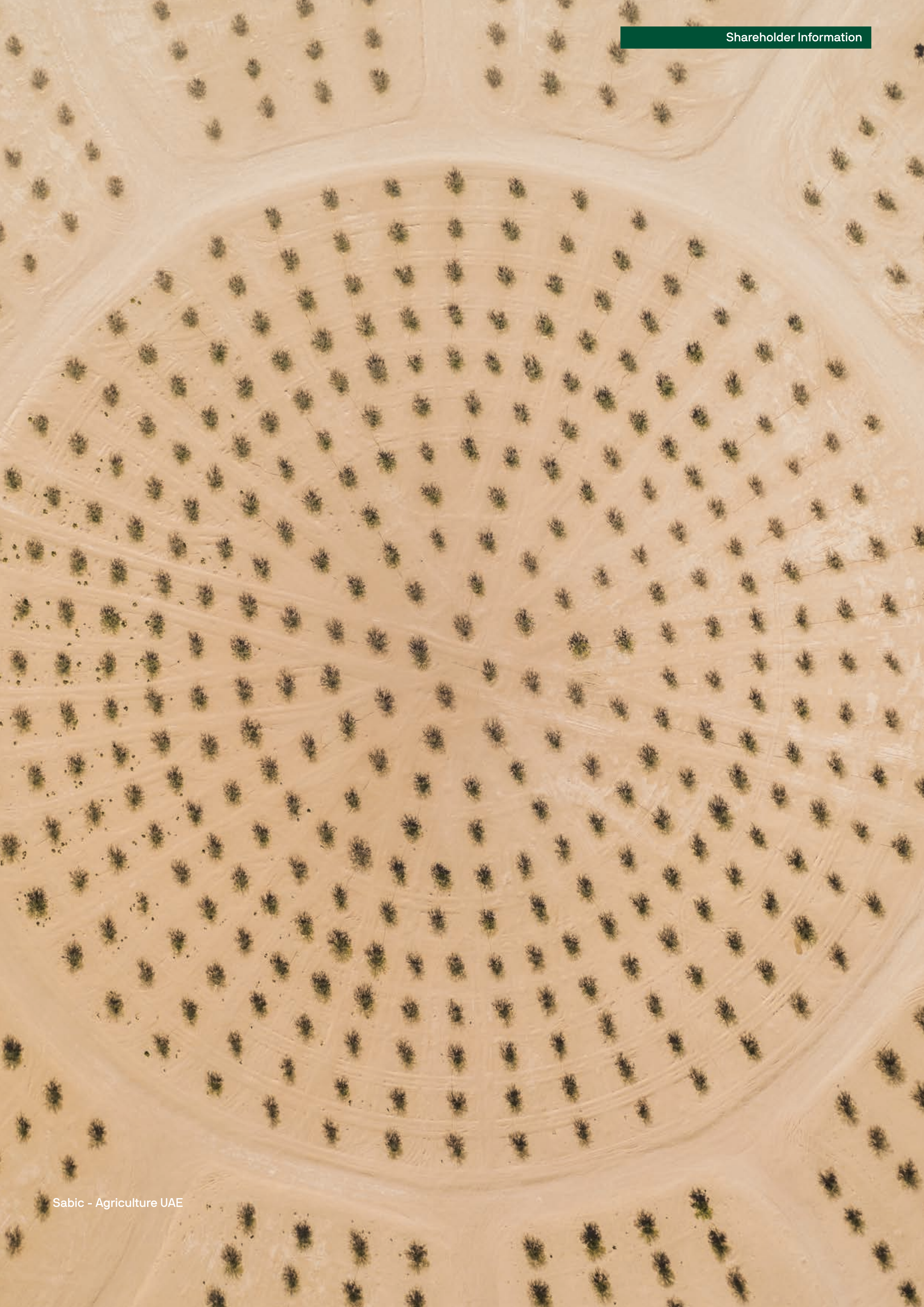
23. Subsequent events

The Directors have evaluated the period since the year end and have not noted any other subsequent events.

VTB Bank filed a lawsuit against eight J.P. Morgan legal entities and JPMorgan Emerging Europe, Middle East & Africa Securities plc on 17th April 2024 in Russia seeking to recover $439.5 million held with J.P. Morgan in New York. At the main hearing on 16th October 2024, the Russian court awarded judgment against all Defendants, including the Company. J.P. Morgan appealed this decision, as did the Central Bank of Russia as an interested party, and the Russian court has scheduled the appeal hearing for 26th February 2025. No seizure of J.P. Morgan's assets under the judgment can take place prior to the appeal hearing.

In the two lawsuits filed by VTB Bank in Russia claiming $81.3 million and $74.5 million against the same eight J.P. Morgan legal entities that are defendants in the above-mentioned claim and JPMorgan Emerging Europe, Middle East & Africa Securities plc, the preliminary hearings were postponed to 23rd April 2025 and 31st January 2025 respectively. The outcome is not known as at the date of this report.

As announced on 3rd January 2025, J.P. Morgan Securities plc and JPMorgan Chase Bank, N.A., London Branch each commenced proceedings in the English court on 12th December 2024 to restrain VTB Bank from pursuing the two lawsuits filed by VTB Bank in Russia claiming $81.3 million and $74.5 million against eight J.P. Morgan legal entities and JPMorgan Emerging Europe, Middle East & Africa Securities plc. The English court has granted an interim injunction restraining VTB Bank from pursuing the two lawsuits pending a further hearing. On 16th January 2025, the English Court ordered that the final hearing of the injunction would be heard on or after 4th April 2025, and that VTB Bank was required to take no further steps in respect of the two lawsuits pending that hearing.



Sabic - Agriculture UAE

Notice of Annual General Meeting

Important information:

This document is important and requires your immediate attention. If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, it is recommended that you seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriate independent professional adviser duly authorised pursuant to the Financial Services and Markets Act 2000 (as amended) if you are in the United Kingdom or, if not, from another appropriately authorised independent adviser. If you have sold or otherwise transferred all of your shares in the Company, please forward this document at once to the purchaser or transferee or to the stockbroker, banker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. This document should not, however, be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of shares, you should retain this document.

Notice is hereby given that the twenty-second Annual General Meeting of JPMorgan Emerging Europe, Middle East & Africa Securities plc (the 'Company') will be held at 60 Victoria Embankment, London EC4Y 0JP on 7th March 2025 at 2.00 p.m. for the following purposes:

1. To receive the Directors' Report, the Annual Accounts and the Auditors' Report for the year ended 31st October 2024.
2. To approve the Directors' Remuneration Report for the year ended 31st October 2024.
3. To approve a final ordinary dividend of 0.5p per Share.
4. To reappoint Eric Sanderson a Director of the Company.
5. To reappoint Dan Burgess a Director of the Company.
6. To appoint Yulia Chekunaeva a Director of the Company.
7. To reappoint BDO as Auditor to the Company.
8. To authorise the Directors to determine the Auditor's remuneration.

Special Business

To consider the following resolutions:

Authority to allot new shares – Ordinary Resolution

9. THAT the Directors of the Company be and they are hereby generally and unconditionally authorised, (in substitution of any authorities previously granted to the Directors), pursuant to Section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers for the Company to allot relevant securities (within the meaning of Section 551 of the Act) up to an aggregate nominal amount of £20,218, representing approximately 5% of the Company's issued ordinary share capital as at the date of the passing of this resolution, provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2026 unless renewed at a general meeting prior to such time, save that the Company may before such expiry make offers, agreements or arrangements which would or might require relevant securities to be allotted after such expiry and so that the Directors of the Company may allot relevant securities in pursuance of such offers, agreements or arrangements as if the authority conferred hereby had not expired.

Authority to disapply pre-emption rights on allotment of relevant securities – Special Resolution

10. THAT subject to the passing of Resolution 9 set out above, the Directors of the Company be and they are hereby empowered pursuant to Section 570 and 573 of the Act to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred by Resolution 9 or by way of a sale of Treasury shares as if Section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £20,218, representing approximately 5% of the issued ordinary share capital as at the date of the passing of this resolution at a price of not less than the net asset value per share and shall expire upon the expiry of the general authority conferred by Resolution 9 above, save that the Company may before such expiry make offers, or agreements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities in pursuant of such offers, or agreements as if the power conferred hereby had not expired.

Authority to repurchase the Company's shares – Special Resolution

11. THAT the Company be generally and, subject as hereinafter appears, unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the 'Act') to make market purchases (within the meaning of Section 693 of the Act) of its issued ordinary shares of 1 pence each in the capital of the Company.

PROVIDED ALWAYS THAT

(i) the maximum number of ordinary shares hereby authorised to be purchased shall be 6,061,383 or if less, that number of ordinary shares which is equal to 14.99% of the Company's issued share capital as at the date of the passing of this Resolution;

(ii) the minimum price which may be paid for an ordinary share will be 1 pence;

(iii) the maximum price which may be paid for an ordinary share shall be an amount equal to the highest of: (a) 105% of the average of the middle market quotations for an ordinary share taken from and calculated by reference to the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the ordinary share is purchased; or (b) the price of the last independent trade; or (c) the highest current independent bid;

(iv) any purchase of ordinary shares will be made in the market for cash at prices below the prevailing net asset value per ordinary share (as determined by the Directors) at the date following not more than seven days before the date of purchase;

(v) the authority hereby conferred shall expire at the Company's Annual General Meeting to be held in 2026 unless the authority is renewed at a general meeting prior to such time; and

(vi) the Company may make a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority and may make a purchase of shares pursuant to any such contract notwithstanding such expiry.

By order of the Board
Paul Winship ACIS, for and on behalf of
JPMorgan Funds Limited,
Secretary

3rd February 2025

Notes

These notes should be read in conjunction with the notes on the reverse of the proxy form.

1. If law or Government guidance so requires at the time of the Meeting, the Chairman of the Meeting will limit, in his sole discretion, the number of individuals in attendance at the Meeting. In addition, the Company may still impose entry restrictions on certain persons wishing to attend the AGM in order to secure the orderly and proper conduct of the Meeting.
2. A member entitled to attend and vote at the Meeting may appoint another person(s) (who need not be a member of the Company) to exercise all or any of his rights to attend, speak and vote at the Meeting. A member can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to different shares held by him.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Your proxy could be the Chairman, another director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chairman or another person(s) as your proxy or proxies using the proxy form are set out in the notes to the proxy form. If a voting box on the proxy form is left blank, the proxy or proxies will exercise his/their discretion both as to how to vote and whether he/they abstain(s) from voting. Your proxy must attend the Meeting for your vote to count. Appointing a proxy or proxies does not preclude you from attending the Meeting and voting in person.
4. Any instrument appointing a proxy, to be valid, must be lodged in accordance with the instructions given on the proxy form.
5. You may change your proxy instructions by returning a new proxy appointment. The deadline for receipt of proxy appointments also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate appointments of proxy are received in respect of the same share in respect of the same Meeting, the one which is last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share; if the Company is unable to determine which was last received (regardless of its date or the date of its signature) shall be treated as replacing and revoking the other or others as regards that share; if the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that share.

Notice of Annual General Meeting

6. To be entitled to attend and vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the Meeting (the 'specified time'). If the Meeting is adjourned to a time not more than 48 hours after the specified time applicable to the original Meeting, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned Meeting. If however the Meeting is adjourned for a longer period then, to be so entitled, members must be entered on the Company's register of members as at 6.30 p.m. two business days prior to the adjourned Meeting or, if the Company gives notice of the adjourned Meeting, at the time specified in that notice. Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote at the meeting or adjourned meeting.
7. Entry to the Meeting will be restricted to shareholders and their proxy or proxies, with guests admitted only by prior arrangement.
8. A corporation, which is a shareholder, may appoint an individual(s) to act as its representative(s) and to vote in person at the Meeting (see instructions given on the proxy form). In accordance with the provisions of the Companies Act 2006, each such representative(s) may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company, provided that they do not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative. Representatives should bring to the meeting evidence of their appointment, including any authority under which it is signed.
9. Members that satisfy the thresholds in Section 527 of the Companies Act 2006 can require the Company to publish a statement on its website setting out any matter relating to: (a) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the AGM; or (b) any circumstances connected with an Auditor of the Company ceasing to hold office since the previous AGM; which the members propose to raise at the meeting. The Company cannot require the members requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required to publish on its website pursuant to this right.
10. Pursuant to Section 319A of the Companies Act 2006, the Company must cause to be answered at the AGM any question relating to the business being dealt with at the AGM which is put by a member attending the meeting except in certain circumstances, including if it is undesirable in the interests of the Company or the good order of the meeting or if it would involve the disclosure of confidential information.
11. Under Sections 338 and 338A of the 2006 Act, members meeting the threshold requirements in those sections have the right to require the Company: (i) to give, to members of the Company entitled to receive notice of the Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Meeting; and/or (ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Meeting. A resolution may properly be moved, or a matter properly included in the business unless: (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be accompanied by a statement setting out the grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than the date that is six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.
12. A copy of this notice has been sent for information only to persons who have been nominated by a member to enjoy information rights under Section 146 of the Companies Act 2006 (a 'Nominated Person'). The rights to appoint a proxy can not be exercised by a Nominated Person: they can only be exercised by the member. However, a Nominated Person may have a right under an agreement between him and the member by whom he was nominated to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, he may have a right under such an agreement to give instructions to the member as to the exercise of voting rights.
13. In accordance with Section 311A of the Companies Act 2006, the contents of this notice of meeting, details of the total number of shares in respect of which members are entitled to exercise voting rights at the AGM, the total voting rights members are entitled to exercise at the AGM and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the date of this notice will be available on the Company's website www.jpmeemeasecurities.com.

14. The register of interests of the Directors and connected persons in the share capital of the Company and the Directors' letters of appointment are available for inspection at the Company's registered office during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted). It will also be available for inspection at the Annual General Meeting. No Director has any contract of service with the Company.
15. You may not use any electronic address provided in this Notice of meeting to communicate with the Company for any purposes other than those expressly stated.
16. As an alternative to completing a hard copy Form of Proxy, you can appoint a proxy or proxies electronically by visiting www.investorcentre.co.uk/eproxy. You will need the Control Number, Shareholder Reference Number and PIN which are set out on your proxy form or the electronic broadcast you received from Computershare.
17. As at 31st January 2025 (being the latest business day prior to the publication of this Notice), the Company's issued share capital consists of 40,436,176 ordinary shares, carrying one vote each. Therefore the total voting rights in the Company are 40,436,176.

Electronic appointment – CREST members

CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (CREST ID is 3RA50) by the latest time(s) for receipt of proxy appointments specified in the notice of the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's agent is liable to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform. For further information regarding Proxymity, please go to www.proxymity.io. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Glossary of Terms and Alternative Performance Measures (Unaudited)

Alternative Performance Measures

Alternative Performance Measures (APMs') are numerical measures of current, historical or future financial performance, financial position or cash flow that are not GAAP measures. APMs' are intended to supplement the information in the financial statements, providing useful industry-specific information that can assist shareholders to better understand the performance of the Company.

Where a measure is labelled as an APM, a definition and reconciliation to a GAAP measure is set out below:

Return on Share Price (APM)

Total return to the shareholders, on a last traded price to last traded price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

Total return calculation	Page	Year ended 31st October 2024	Year ended 31st October 2023	
Opening share price (p)	7	119.9	79.0	(a)
Closing share price (p)	7	120.5	119.9	(b)
Total dividend adjustment factor[1]		1.003906	1.000000	(c)
Adjusted closing share price (p) (d = b x c)		121.0	119.9	(d)
Total return on share price (e = (d/a) – 1)		**+0.9%**	**+51.8%**	(e)

[1] The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the last traded price quoted at the ex-dividend date.

Net Asset Value per Share (APM)

The value of Company's net assets (total assets less total liabilities) divided by the number of ordinary shares in issue. Please see note 16 on page 79 for detailed calculations.

Return on Net Asset Value per Share (APM)

Total return on net asset value ('NAV') per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested, without transaction costs, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

Total return calculation	Page	Year ended 31st October 2024	Year ended 31st October 2023	
Opening NAV per share (p)	7	46.7	46.7	(a)
Closing NAV per share (p)	7	52.5	46.7	(b)
Total dividend adjustment factor[1]		1.010309	1.000000	(c)
Adjusted closing NAV per share (p) (d = b x c)		53.0	46.7	(d)
Total return on net asset value per share (e = (d/a) – 1)		**+13.6%**	**0.0%**	(e)

[1] The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the NAV at the ex-dividend date.

In accordance with industry practice, dividends payable which have been declared but which are unpaid at the balance sheet date are deducted from the NAV per share when calculating the total return on net assets.

Reference Index

The Company has a reference index (S&P Emerging Europe, Middle East & Africa BMI Net Return in GBP) rather than a benchmark because there is currently no benchmark that matches the profile of the Company's portfolio.

The Company's previous benchmark was the RTS Index which had been adopted by the Company on 1st November 2016. Due to Russia's invasion of Ukraine in February 2022 and subsequent closure of the Russian market and cessation of distribution of data from the RTS index and other Russian indices, the Company ceased to have a benchmark.

Glossary of Terms and Alternative Performance Measures (Unaudited)

A reference index allows investment performance and risk measurement of the new investments made under the new mandate. However, it is indicative due to the continuing ownership of Russian assets which cannot be traded and cash. Hence it is a reference index and not a benchmark. The Board does not intend to measure performance of the portfolio relative to the reference index for the purposes of the 2027 continuation vote.

Gearing/(Net Cash) (APM)

Gearing represents the excess amount above shareholders' funds of total investments, expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is shown as a 'net cash' position.

Gearing calculation (excluding effect of futures)	Page	Year ended 31st October 2024 £'000	Year ended 31st October 2023 £'000	
Investments held at fair value through profit or loss	69	21,241	17,370	(a)
Net assets	69	21,209	18,880	(b)
Gearing/(net cash) (c = (a/b) – 1)		**0.2%**	**(8.0)%**	(c)

Ongoing charges (APM)

The ongoing charges represent the Company's management fee and all other operating expenses excluding finance costs payable, expressed as a percentage of the average of the daily net assets during the year and is calculated in accordance with guidance issued by the Association of Investment Companies.

Ongoing charges calculation	Page	Year ended 31st October 2024 £'000	Year ended 31st October 2023 £'000	
Management fee	74	164	103	
Other administrative expenses	74	666	497	
Total management fee and other administrative expenses		830	600	(a)
Average daily cum-income net assets		19,893	18,837	(b)
Ongoing charges (c = a/b)		**4.17%**	**3.19%**	(c)

Share Price Discount/Premium to Net Asset Value ('NAV') per Share (APM)

If the share price of an investment trust is lower than the NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per share.

The opposite of a discount is a premium. It is more common for an investment trust's shares to trade at a discount than at a premium (page 10).

	Page	Year ended 31st October 2024	Year ended 31st October 2023	
Share price (p)	7	120.5	119.9	(a)
Net assets value per share (p)	7	52.5	46.7	(b)
Premium to net asset value (c = (a–b)/b)		**129.5%**	**156.7%**	(c)

Glossary of Terms and Alternative Performance Measures (Unaudited)

Performance attribution

Analysis of how the Company achieved its recorded performance relative to its reference index.

Performance Attribution Definitions:

Asset allocation

Measures the impact of allocating assets differently from those in the reference index, via the portfolio's weighting in different countries, sectors or asset types.

Stock selection

Measures the effect of investing in securities to a greater or lesser extent than their weighting in the reference index, or of investing in securities which are not included in the reference index.

Currency effect

Measures the impact of currency exposure differences between the Company's portfolio and its reference index.

Gearing/(net cash)

Measures the impact on returns of borrowings or cash balances on the Company's relative performance.

Management fee and Other expenses

The payment of fees and expenses reduces the level of total assets, and therefore has a negative effect on relative performance.

Share Buyback

Measures the enhancement to net asset value per share of buying back the Company's shares for cancellation at a price which is less than the Company's net asset value per share.

ADR/GDR

American Depositary Receipts and Global Depositary Receipts. ADRs and GDRs' are certificates that represent shares of a foreign stock.

'S' Account

In response to sanctions which have been imposed by the United States, the European Union, the United Kingdom and other countries following Russia's invasion of Ukraine in February 2022, the Russian Federation responded with certain counter-measures. These include establishing 'Type S' accounts in respect of certain payment obligations, including dividends and other payments linked to financial instruments, due from Russian entities owed to non-Russian persons connected with countries considered to be committing 'unfriendly acts' against the Russian Federation, including EU member states, UK and USA. The Company's 'S' account which consists of cash balances largely emanating from dividend payments made by Russian companies in the Company's portfolio but also includes proceeds from a tender offer, is opened with its Global Custodian, JPMorgan Chase Bank, N.A. London Branch. JPMCBNA London Branch onward holds this cash with its sub-custodian, J.P. Morgan Bank International (Limited Liability Company), where they are trapped in Russia. The Company is not permitted to instruct any payments to be made from the 'S' account. It is not known if the funds in the 'S' account will ever be remitted outside of Russia to the Company. The funds in the 'S' account are not recognised in the Company's accounts. The Custodian reports the balance in the 'S' account to the Board regularly. For the balance in the 'S' account as at the reporting period see the reference in the Chairman's Statement on page 9.

Investing in the Company

You can invest in the company through the following:

Via a third party provider

Third party providers include:

AJ Bell Investcentre
Barclays Smart investor
Bestinvest
Charles Stanley Direct
Close brothers A.M. Self Directed Service
Fidelity Personal Investing
Freetrade
Halifax Share Dealing
Hargreaves Lansdown
iDealing
IG
Interactive investor
IWeb
ShareDeal active
Willis Owen
X-O.co.uk

Please note this list is not exhaustive and the availability of individual trusts may vary depending on the provider. These websites are third party sites and the Company does not endorse or recommend any. Please observe each site's privacy and cookie policies as well as their platform charges structure.

Through a professional adviser

Professional advisers are usually able to access the products of all the companies in the market and can help you to find an investment that suits your individual circumstances. An adviser will let you know the fee for their service before you go ahead. You can find an adviser at www.unbiased.co.uk.

You may also buy investment trusts through stockbrokers, wealth managers and banks.

To familiarise yourself with the Financial Conduct Authority adviser charging and commission rules, visit www.fca.org.uk.

Voting on Company Business and Attending the AGM

The Board encourages all of its shareholders to exercise their rights by voting at annual general meetings and attending if able to do so. If you hold your shares on the Company's main register, please refer to the notes to the AGM on pages 89 to 91 and your form of proxy. If your shares are held through a platform, platform providers often provide shareholders with the ability to receive company documentation, to vote their shares and to attend general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' website at www.theaic.co.uk/aic/shareholder-voting-consumer-platforms for information on which platforms support these services and how to utilise them.

Share Fraud Warning

Investment and pension scams are often sophisticated and difficult to spot

FCA FINANCIAL CONDUCT AUTHORITY

Be a **ScamSmart** Investor

Be a ScamSmart investor 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're only making the offer available to you or even ask you to not tell anyone else about it

How to avoid investment and pension scams

1 Reject unexpected offers
Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you've been offered an investment out of the blue, chances are it's a high risk investment or a scam.

2 Check 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 our authorisation.

3 Get impartial advice
Get impartial advice before investing – don't use an adviser from the firm that contacted you.

If you're suspicious, report it

You can report the firm or scam to us by contacting our **Consumer Helpline** on **0800 111 6768** or using our reporting form using the link below.

If you've lost money in a scam, contact Action Fraud on 0300 123 2040 or www.actionfraud.police.uk

Be ScamSmart and visit www.fca.org.uk/scamsmart

Information About the Company

Financial Conduct Authority ('FCA') Regulation of 'non-mainstream pooled investments' and MiFID II 'complex investments'

The Company currently conducts its affairs so that the shares issued by the Company 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 shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The Company's ordinary shares are not considered to be 'complex investments' under the FCA's 'Appropriateness' rules and guidance in the Conduct of Business sourcebook.

Consumer Duty Value Assessment

The Manager has conducted an annual value assessment on the Company in line with Financial Conduct Authority (FCA) rules set out in the Consumer Duty regulation. The assessment focuses on the nature of the product, including benefits received and its quality, limitations that are part of the product, expected total costs to clients and target market considerations. Within this, the assessment considers quality of services, performance of the trust (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company), and also considers whether vulnerable consumers are able to receive fair value from the product. The Manager has concluded that the Company is providing value based on the above assessment.

Task Force on Climate-related Financial Disclosures

As a regulatory requirement, in June 2024 the Investment Manager published its second UK Task Force on Climate-related Financial Disclosures Report for the Company in respect of the year ended 31st December 2023. The report discloses estimates of the Company's portfolio climate-related risks and opportunities according to the FCA ESG Sourcebook and the Task Force on Climate-related Disclosures. The report is available on the Company's website under the ESG documents section: https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/regulatory/esg-information/jpm-emerging-europe-middle-east-africa-securities-plc-fund-tcfd-report.pdf

The Board is aware that best practice reporting under the Task Force on Climate-related Financial Disclosures is still evolving with respect to metrics and input data quality, as well as the interpretation and implications of the outputs produced, and will continue to monitor developments as they occur.

The Company, as a closed ended investment fund, is currently exempt from complying with the Task Force on Climate-related Financial Disclosures.

History

The Company was launched in December 2002 by a placing and offer for subscription. It is the successor Company to The Fleming Russia Securities Fund Limited, a closed-ended investment company incorporated in Jersey and listed on the Irish Stock Exchange. The Company changed its name to JPMorgan Russian Securities plc on 1st March 2006. On 23rd November 2022 shareholders approved a widening of the Company's investment objective to include Emerging Europe, Middle East & Africa. On the same date the Company's name was changed to JPMorgan Emerging Europe, Middle East & Africa Securities plc.

Life of the Company

Directors will propose a resolution that the Company continue as an investment trust at the Annual General Meeting in 2027 and every five years thereafter.

Company Numbers

Company registration number: 4567378
London Stock Exchange Sedol number: 0032164732
ISIN: GB0032164732
Bloomberg ticker: JEMA LN
LEI: 549300II3MHI98ZLVH37

Market Information

The Company's shares are listed on the London Stock Exchange. The market price is shown daily in the Financial Times and on the JPMorgan website at www.jpmeemeasecurities.com where the share price is updated every 15 minutes during trading hours.

Website

www.jpmeemeasecurities.com

Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf.

Manager and Company Secretary

JPMorgan Funds Limited

Company's Registered Office

60 Victoria Embankment
London EC4Y 0JP
Telephone: 0800 20 40 20 or +44 1268 44 44 70
email: invtrusts.cosec@jpmorgan.com

For company secretarial and administrative matters, please contact Paul Winship at the Company's registered office.

Depositary

The Bank of New York Mellon (International) Limited
160 Queen Victoria Street
London EC4V 4LA

The Depositary has appointed JPMorgan Chase Bank, N.A. as the Company's custodian.

Registrar

Computershare Investor Services PLC
The Pavilions,
Bridgwater Road,
Bristol BS99 6ZY
The Registrar's helpline: +44 (0)370 707 1514

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar. Registered shareholders can obtain further details on individual holdings on the internet by visiting www.shareview.co.uk.

Independent Auditor

BDO LLP
55 Baker Street,
London W1U 7EU

Broker

Deutsche Numis
The London Stock Exchange Building,
10 Paternoster Square,
London, EC4M 7LT

aic
The Association of Investment Companies

A member of the AIC

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J.P.Morgan
ASSET MANAGEMENT